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## Legislative Assembly of Ontario

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## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 18 October 2005

# Journal des débats (Hansard)

Mardi 18 octobre 2005

**Standing committee on  
estimates**

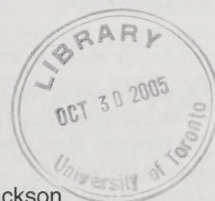
Ministry of Agriculture,  
Food and Rural Affairs

**Comité permanent des  
budgets des dépenses**

Ministère de l'Agriculture, de  
l'Alimentation et des  
Affaires rurales

Chair: Cameron Jackson  
Clerk: Trevor Day

Président : Cameron Jackson  
Greffier : Trevor Day





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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATES

Tuesday 18 October 2005

COMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Mardi 18 octobre 2005

*The committee met at 1550 in room 228.*

## ELECTION OF VICE-CHAIR

**The Chair (Mr. Cameron Jackson):** Good afternoon. I'd like to call to order the standing committee on estimates. I'd like to welcome the Minister of Agriculture and Food. Minister, we have a couple of housekeeping matters to deal with, so I beg your indulgence for about three or four minutes. In accordance with the House leader's pronouncement in the House yesterday, we have some business before the committee.

The membership on the estimates committee for the Conservative Party has changed, and Mr. Dunlop is replacing Mr. O'Toole. Therefore, we are in need of a Vice-Chair, and I would entertain a motion from Mr. Arthurs.

**Mr. Wayne Arthurs (Pickering–Ajax–Uxbridge):** I move Mr. Dunlop.

**The Chair:** Are there any other nominations for the position? Seeing none, I declare Mr. Dunlop the new Vice-Chair of the estimates committee. Welcome, Mr. Dunlop.

## SUBCOMMITTEE MEMBERSHIP

**The Chair:** We also need to change the membership of the subcommittee on committee business, to be revised as follows: that Mr. Dunlop be appointed in place of Mr. O'Toole. That is moved by Mr. Barrett. All those in favour? Opposed, if any? That is carried.

MINISTRY OF AGRICULTURE,  
FOOD AND RURAL AFFAIRS

**The Chair:** Members of the committee, we have one hour and 33 minutes remaining for the estimates of the Ministry of Agriculture, Food and Rural Affairs. With the indulgence of the committee, I'm going to do half-hour rotations, if that's acceptable. I will begin with Mr. Barrett.

Welcome, Minister.

**Hon. Leona Dombrowsky (Minister of Agriculture, Food and Rural Affairs):** May I just introduce the representatives I have with me today from the ministry? Do you want me to do that?

**The Chair:** That would be fine. Thank you.

**Hon. Mrs. Dombrowsky:** I have with me the Deputy Minister of Agriculture, Food and Rural Affairs, Dr. Bruce Archibald. I also have with me from the Ministry of Agriculture, Food, and Rural Affairs Chris Horbasz. Chris, maybe you could share your title with the folks here.

**Mr. Chris Horbasz:** I'm the acting director of finance.

**The Chair:** Welcome, and thank you. Mr. Barrett, we're in your hands.

**Mr. Toby Barrett (Haldimand–Norfolk–Brant):** Thank you, Chair. I'm pleased to continue, and Mr. Dunlop would have some questions as well, I would imagine.

Minister, very briefly, referring back to the recent throne speech, it indicated the focus is on three priorities: innovation, marketing and farm income. With respect to farm income—and I know there have been many questions before this committee on that particular area—in the throne speech it's stated, "Ontario is working with the federal government to improve our system of safety nets." Could we be more specific on what the Ontario government or the Ontario ministry is working on with the federal government? We know that there have been and continue to be requests for companion programs from a number of sectors in the agricultural community.

**Hon. Mrs. Dombrowsky:** I'm very happy to share with the member the programs that the Ministry of Agriculture, Food and Rural Affairs has in place to support farm income across Ontario.

Our government was very pleased to sign with the federal government the agriculture policy framework. The honourable member would know that by signing on to the framework, we were able to access as a province for our farming and producer community \$1.7 billion in federal money. Which is very important to this industry in Ontario. One of the five pillars of the agriculture policy framework, of course, is the business risk management component. That component is made up of two avenues, for farmers and producers to access government money in times when their business income for a range of reasons has been diminished in a production year.

One of the avenues is the CAIS program, the Canadian agricultural income stabilization program. The other avenue or vehicle that the APF has made available to our farmers and producers is the production insurance component. This is a new program, both at the federal and



provincial levels. Obviously the intention—it's a significant investment—is to ensure that when there are times that the agriculture industry is in difficulty, there is an appropriate and effective business risk management support program in place.

I'm sure most members at this table who have farmers and producers in their ridings would have heard from those people—I have heard from the representative groups as well across Ontario—that the program doesn't always work well. In some cases, it does; in some cases, it doesn't. So our government and certainly this minister have a responsibility to identify those areas, to work with our federal partner to ensure that going forward the valid issues that have been brought to our attention are addressed. Consequently, in July, I was able to participate at the first—it was the first agriculture ministers of Canada meeting for me, and it really was very important, I believe, for me to hear from other provinces the similar concerns with the business risk management pillar and the programs that are offered right across Canada.

As a result of some very healthy debate and discussion, there have been modifications made to CAIS with respect to the requirement for a deposit. This was certainly seen by many groups in the industry as being quite onerous; it tied up working capital for them. So that requirement has been replaced with a fee for participation as opposed to the need for a deposit.

We are also aware, as ministers from across Canada, of some of the other areas where farmers and producers are looking for additional assistance and support where the CAIS program has not met their needs. We are meeting again in November in Saskatchewan. We've asked our officials to see what they can do in the area of negative margins, for example, so that going forward we can continue to build a solid business risk management component to the APF.

With regard to requests that I have received from various representative groups in the agriculture community for additional companion programs, which the honourable member mentioned, I have made it very clear that I am prepared to listen to what they have to bring me. I have asked staff at the ministry to crunch their numbers and bring me some ideas in terms of how we can move forward and address what I believe to be very serious, valid and important concerns that have come from more than one sector in the agriculture community.

1600

**Mr. Barrett:** Thank you. In working with the federal government, I can't stress enough to work and to continue to work with the farm organizations and the commodity groups. Again, it's coming, as you know, from the horticultural, beef, coloured bean and soy and corn sectors.

It's great. I think it's very important for staff to be crunching those numbers and to be working with the various commodity groups. They don't have some of the resources that we have in the Ontario government to crunch numbers.

**Hon. Mrs. Dombrowsky:** I would agree; we have some of the finest resources.

**Mr. Barrett:** Another very good example of a commodity group being very hard hit is tobacco. Just a quote from Brian Edwards, the chair of Tobacco Farmers in Crisis: "When you take \$150,000 out of the cash flow of an individual (farmer) in three years' time, it hurts big time." Reasons for this? Obviously, the lower prices and lower volumes of crops. Reasons for that? Higher cigarette taxes. I don't need to dwell any further on that in these committee hearings.

One other very serious and growing problem: lower-priced imported tobacco. I have here some figures: Imported tobacco has risen from four million to about 10 million pounds over the last five years. These are legal imports; there are also illegal imports, as we all know. There's a very real concern with the imported tobacco.

We know it's a two-way street. Over the last few months, our local farmers have been able to sell something like \$10 million to China, and that's great. That's the largest tobacco market in the world; there are a million farmers, maybe 2 million farmers, over there.

Again, much of this is federal. There's a very real concern with what approach we can take with the imported legal tobacco coming in. Some of this is federal. Ontario is a tobacco province. What can we do?

**Hon. Mrs. Dombrowsky:** I do appreciate the point that has been made by the honourable member. I think, though, in his own remarks, he has also indicated that while Ontario perhaps imports tobacco, we also export tobacco. Since it is a two-way street and since it is a federal responsibility, I would be very reticent to suggest some considerations. I know that there are producers in the province who might be in favour of a more preferential policy. That is something that they may want to pursue at the federal level.

I will say, though, that our government has recognized that, for a range of reasons, for the tobacco industry, obviously over the last 20 years—and the honourable member is probably more aware of the many programs that have been implemented both at the federal and provincial levels to assist and encourage the tobacco industry to perhaps consider alternate crops. Because, over that period of time, there has been a realization that the tobacco product is not good for the general population.

Our government has recognized that it is important, that we do have some responsibility, as we initiate policies to discourage and deter people in the province from using tobacco products, to support the producers. That is why we have established the tobacco transition fund. It's a \$50-million fund. I'm sure that the honourable members here would be aware that \$35 million has been designated to go directly to support tobacco farmers as they look to transition to other agricultural ventures in their farm operations.

By the way, that fund is managed by the flue-cured tobacco association, so it's arm's-length from the government. This is a group that knows the producers well, and



it has accepted the responsibility to deliver the \$35 million.

Deputy, when I finish my comments, maybe I could ask you to identify folks who could talk about whether or not that fund has been completely disbursed.

I do want to say that, also, \$15 million has been designated to the Community Futures Development Corp. These dollars are intended to develop new businesses in new markets to promote innovation in the tobacco-growing regions of the province. So I believe our government has demonstrated—and we're thankful for the matters that have been brought to our attention by the tobacco industry; their need for some support during this transition period—that it has listened and delivered.

Deputy?

**Mr. Bruce Archibald:** I'll ask Don Taylor, the assistant deputy minister for innovation and competitiveness, to talk about some of the tobacco programming that the minister has mentioned, as well as some of the other assistance the ministry is providing to tobacco growers in this state of transition.

**Mr. Don Taylor:** Thank you, Deputy.

Yes, as the minister mentioned, the \$35-million portion of the \$50 million was made available to producers to match with the federal funding that was made available to help producers exit the industry and potentially go into other enterprises. By far the vast majority of that \$35 million has been distributed to the producers. There are a few remaining producers involved in the bidding process whose bids were accepted, and just because of their own individual situations, the funding hasn't been able to be distributed yet. But those are basically a handful; by far the vast majority of the 200-odd producers who were to receive assistance under that programming have received the assistance.

As the minister mentioned, many of our programs in the tobacco industry relate to helping producers transition out of tobacco. So we've had research programs in co-operation with our colleagues in the federal government looking at this for many years. We have a specialist staff who assist with providing advice to producers in looking at alternatives.

I guess the other thing I could just mention is that we also provide through the tobacco advisory committee, which the ministry is involved with, a forum for the producers and the buyers of tobacco, the manufacturers, to talk about issues like domestic versus imported tobacco and to allow the producers the opportunity to do their best job to convince the manufacturers to use domestic tobacco. It also provides a forum for them to address their issues to the federal government, whose lead that would be.

**Mr. Barrett:** I might mention as well, with Don at the table—and I just heard it this morning from a tobacco farmer—that ministry staff like Don Taylor and Paul Glenney are very much appreciated by the tobacco farmers. They have a very good awareness of what's going on, whether it's tobacco farmers in crisis or the tobacco marketing board. They also realize the need—

and we hear this from other commodity groups—for a long-term plan involving all industry partners.

I would certainly encourage the minister to get together with the farmers, if you haven't had an opportunity yet. Everyone is there and, again, they are looking for leadership from government, because a lot of families are going through an awful lot of strife right now.

I'm not sure if this could be addressed or not: the other portion of the \$50-million allotment, the \$15 million that would be going through, as I understand it, the Ministry of Municipal Affairs. I know that in one county alone—Norfolk county; it's a big tobacco county—there is a proposal for an agri-food innovation centre. A committee, a board, essentially, is shepherding this through. I know a consultant was hired. There have been a number of reports.

I think these reports from the consultant actually did go to the Ministry of Agriculture and Food. There's concern that the consultant didn't do an adequate analysis, and it's felt that the consultant didn't consult to the extent they should have with the board. I just want to raise this issue. The municipality of Norfolk county is very concerned that things are going off the rails as far as an agri-food innovation centre proposal for the area. Could anyone comment on that?

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**Hon. Mrs. Dombrowsky:** Mr. Chair, if I may ask the deputy to direct the question, please.

**Mr. Archibald:** I'm going to ask Don to respond to that issue.

**Mr. Taylor:** As was indicated, there was a study where the ministry worked closely with a stakeholder committee from the tobacco area, primarily from Norfolk county, to look at the feasibility of an innovation centre to help producers as they look at other opportunities in the tobacco area. There was a consultant that carried out an initial phase of that study.

Based upon the results of that work and based upon our work with the stakeholder committee, it was decided that further work around that study and potentially carrying it forward to a proposal to establish a committee would be done more appropriately by the stakeholder committee directly, so we've been working directly with the stakeholder committee. And although we haven't seen a proposal yet, it would be our expectation that they would be potentially developing a proposal to go forward to the group of community futures development corporations that is administering the \$15-million portion of the fund for consideration of a project to be funded under that.

**Mr. Barrett:** Fine. Thank you. Thank you, Minister.

**The Chair:** Mr. Dunlop.

**Mr. Garfield Dunlop (Simcoe North):** To the minister: Congratulations on your new appointment. I know you've had a difficult portfolio before, and I don't think this one is much easier.

It just came to my attention today—I'm going to be speaking tonight on the marijuana grow-op bill and I got to thinking of the new plant that's proposed for Barrie,



where the largest indoor marijuana grow-op in history has been found in our country, and that's the old Molson brewery plant. Now we've got a proposal—

**Hon. Mrs. Dombrowsky:** In your riding?

**Mr. Dunlop:** It's just south of my riding.

**Hon. Mrs. Dombrowsky:** I thought so.

**Mr. Dunlop:** But I pass it almost every day. Of course, I never knew there was a marijuana grow-op in there.

I understand that now there's a really good proposal coming forward to create an ethanol plant there. I have two questions on that: First of all, I know your government has a plan to have 5% ethanol by 2007 or 2008; I forget the exact details of that. I wanted to ask you, first of all, is there provincial assistance in the construction of that facility, and what type of support would any ethanol plant get from the Ontario government? Second, and this is the key question, Minister, what kind of guarantees would Ontario corn producers have that there would be a priority for them to actually be the producers that would be able to sell to a plant like that?

**Hon. Mrs. Dombrowsky:** I'm very happy to have the opportunity to talk about the ethanol growth fund. The growth fund is made up of four components. There is a component for supporting capital for those farm co-operatives, individuals or corporations that would be interested in establishing an ethanol facility. It's a \$520-million fund that will be paid out over the next 12 years. So one component is to support capital, the building of the plant. There is also a component of the fund, and it's on the Ministry of Agriculture, Food and Rural Affairs Web site, a component that will support the operation of a facility. Another component is directed to the independent operators.

We have set an ambitious goal that 5% of all gasoline sold in Ontario on average would be ethanol. We respect that that can be a challenge, and we have made special considerations for northern Ontario too.

Then, the fourth component of the fund is to support research and innovation in terms of bio-fuels and how those initiatives can be expanded on in the future. We believe that's good for rural Ontario. We believe it's good for farmers.

To your second point with respect to guarantees for corn producers in the province of Ontario, I have had the opportunity at this committee to indicate that Ontario is a net importer of corn products. At the present time in the province of Ontario, we do not grow enough corn to meet our domestic need. We believe that our ethanol initiative is going to increase the demand for corn. We know that usually, the way economics works, when you increase demand, that can also have a positive impact on the price.

So we believe that we have created a very healthy market for corn in Ontario, a province where we're not yet producing enough corn to meet all of our own needs, but we do see this as good news for our corn producers, for rural Ontario and for agriculture communities across the province.

**Mr. Dunlop:** Can I get a supplementary?

**The Chair:** You've got seven minutes.

**Mr. Dunlop:** Oh, I'm sorry. I didn't realize how much time was left. I'm new to this committee. I apologize.

This is my worry. Long before you were the minister, and in the previous government as well, I attended a lot of Ontario corn producer meetings. In fact, I'm an honorary member of the Simcoe county corn producers. I've actually got a jacket with a combine on it because I've been at so many of their meetings. Currently, like Mr. Baird, we've been trying to get any support we can for these groups.

Their concern, what I've heard in the past—and this was long before any kind of ethanol plant was even brought forward—is that they're always worried about the competition coming in from the American states where Americans have been subsidizing their corn producers at a much higher rate. The one thing I'd hate to see happen is to have a lot of corn come in to feed our ethanol plants in Ontario, which Ontario taxpayers subsidized, from American-based or even Quebec-based farm organizations or farm operators that had high subsidies compared to what our farmers have received.

That's the worry I have. I'm just trying to flag it. You can probably respond to it. My concern is that if we build these plants, our own farmers will not be in a position to compete for the sale of that corn in those facilities. Is that fair to say?

**Hon. Mrs. Dombrowsky:** I do appreciate the points that the honourable member has made, and I really commend you for taking the time that you have to participate with the corn producers. They are an excellent group of people, and you're right: The issues they are dealing with and face today, which present the greatest challenge to them today, are not, as you've indicated, the making of this government. They predate this government. They really are created by policies that are beyond the provincial government and, in my opinion, are more the responsibility of our federal colleagues.

Having said that, on your point around the competition and so on, there are a couple of things I would like to share with the honourable member. Number one, as I have indicated, the ethanol growth fund is a process where people apply to the fund, so any individual, any farm co-operative—I know that, because so much of your riding is rural, you understand how farm co-operatives work. Any corporation would have the opportunity to bid, to participate in the \$520-million fund. It was very important to this government that we ensure that within the province there was an opportunity for community groups like farm co-operatives to partake in this initiative.

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The other point that I think is important, which I make again, is that we continue to be net importers of corn, which means at the present time we are not yet producing enough corn to meet our domestic requirements right here in the province, whether it's an agricultural or industrial requirement for corn. There's no question that for corn producers, the playing field is really quite un-

level. They are competing—when I say “competing,” in terms of the market, everybody gets the same price for corn. Whether you live in Manitoba, Ontario or Chicago, they all get the same price for corn. The problem is that in other jurisdictions that subsidize their farmers, they’re getting their cost of production because they’re getting a subsidy in the mail, whereas that is not the case in Canada.

If I can just go back to a comment made by your colleague Mr. Barrett as well, but I think it ties in with the point that you’re making, I have had the opportunity on more than one occasion to meet with producer groups, representative groups, including the grains and oilseeds folks, and informally with corn producers. The Premier has had the opportunity to meet with these folks, and was able to appreciate that first-hand. I thought they made their point very effectively to the Premier at the plowing match. They’re not looking for a handout; they’re looking for a level playing field. They want to compete fairly in the marketplace, and that is not the case right now.

As a result of the conversations we have had with these people—the people you go to meet with on a regular basis too—we intend to push the federal government to work, and do all we can to level that playing field. I would like to say that there is an opportunity in the near future at the World Trade Organization talks. Also, the Premier has a mission to Asia, where agriculture is one of the three priorities that he is going to carry with him and focus on. I think that the agriculture community has a champion. The Premier understands that this is an unsustainable situation, and we’re going to do all we can to assist them, to ensure that at least we can say we’ve done what we can to level that playing field.

**Mr. Barrett:** A number of the farm groups have been—I don’t have the final figures—or are projected to be, hit very hard by WSIB rates. There are a couple of concerns. Much of agriculture does not feel it’s fair that they are saddled with helping to pay off the unfunded liability of WSIB because their accident rate statistics indicate that, historically, they maintain they have not been a major contributor to the unfunded liability of workers’ compensation. Secondly, they’re questioning the rate schedule, the groupings. Again, the ag sector supports the principle that insurance rates—WSIB group rates—are based on the actual accident experience and the actual costs.

I hear concern from a number of groups that they are—I don’t know the final projected increases for 2006, but I know that a few weeks ago, four of the six WSIB group rates were projected to increase by 10% in the coming year. I don’t know whether some of this has been rectified or not. Some of the groups are concerned that they’re lumped in with other agricultural groups that maybe have a higher accident record. There’s a bit of confusion there and I don’t know whether, as Minister of Agriculture, you have been dealing with the WSIB or working with our Minister of Labour on this. It was a concern that was certainly developing over the summer.

**The Chair:** Mr. Barrett, we’ve come to the end of your rotation. I’ll just ask the minister if she could briefly respond or maybe follow up with additional information, but I’d like to recognize Mr. Bisson when you’re done your response.

**Hon. Mrs. Dombrowsky:** I can say that the Ministry of Agriculture, Food and Rural Affairs has been working on this issue with the Ministry of Labour. I think it’s a good question, and I would like to provide a full answer, so I would like to offer that we will get that information to the honourable member.

**Mr. Gilles Bisson (Timmins–James Bay):** Thank you, Minister, and welcome. It’s nice to see you here at the estimates committee. Congratulations on your new appointment. Now that we’ve got that out of the way, we have some questions.

I was just interested—I wasn’t going to go down that line, because I know that our leader Howard Hampton has raised this. But just in response to one of your answers a little while ago in regard to what’s happening with the ethanol industry, you were saying they have a champion in the Premier, and at the same time you’re saying that no matter what happens, we pay for the price of corn no matter where we buy it from—and you’re right. The difference is that the Americans are subsidizing. What kind of champion is the Premier if (a) he doesn’t have a policy that says we’re going to buy Ontario corn for the ethanol industry, or (b) he doesn’t come up with some form of subsidization for our own industry? How is he championing the situation? From what I understand, the corn industry is not very happy with this so-called champion.

**Hon. Mrs. Dombrowsky:** First of all, I would just like to say to Mr. Bisson that I always enjoy having a chat and I appreciate the point he has raised; I’m really happy.

Number one, I think it’s important to remember that, yes, Mr. Hampton did make the point that he thought there should be a requirement to purchase Ontario corn, but on the other hand, his other point was that Ontario corn producers are not getting the cost of production. So you’re suggesting that we sentence them to the reality of a losing business perspective. What I’m saying—

**Mr. Bisson:** Part of the problem is that having corn dumped into our market affects the overall price, as you well know. I guess the question I have—

**Hon. Mrs. Dombrowsky:** I would argue that. I don’t think that’s an accurate statement. We’re net importers. We’re not dumping it here.

**Mr. Bisson:** But my question to you is, if the government is unwilling to take the position that we’ll buy Ontario corn, and the government is unwilling to take the position to subsidize the industry but reduce some of its costs in some way, how is that being a champion? I don’t quite understand.

**Hon. Mrs. Dombrowsky:** First of all, I don’t believe it’s accurate to suggest that we’re not subsidizing the industry, because we have signed on to the agriculture policy framework that is bringing an additional \$1.7



billion to the agriculture community. So I don't believe it's accurate to say there's no subsidy for the industry.

That the vehicles in place at the present may not be meeting the needs of all the agricultural producers, I think, is accurate. I have made statements at this committee that, as minister, I am prepared to consider for those sectors that feel that the CAIS program and production insurance are not meeting their needs—we're going to have a look at that.

In terms of a champion, this is the first Premier who has made it very clear that we're going to work with the federal government, but more than that, we're going to push the federal government to do what it should be doing, that I believe it's doing with—

**Mr. Bisson:** He's not the first Premier to do that, I can guarantee you.

**Hon. Mrs. Dombrowsky:**—what the Prime Minister is doing now with the softwood lumber file. We need that kind of advocacy for agriculture. We need to have the issue of subsidies in other countries that impact our market prices for our commodities here in Ontario and in Canada addressed, and our Premier has made it very clear that he's prepared to take on that issue.

1630

**Mr. Bisson:** The problem is that it doesn't do anything at the end of the day to help the farmer. Every Premier and every Minister of Agriculture since I've been here, for 16 years, has taken the position of trying to get the feds to do something, and the feds never do it. Since, basically, your Premier is out there pointing out the gap we have as far as funding between the feds and the province, I don't think we've been very successful.

Anyway, my point—and I'm going to move on to another question—is that I find myself a little bit conflicted, because I really do support the move to ethanol. I think that was a very bold move on the part of the government, one that made a lot of sense. The disconnect, however, is between the reality of what we find in the farm industry and what that policy really means to them. I would have hoped we could come up with some kind policy that says we're going to try to buy Ontario corn as a way of not only meeting our target of 5% by 2007 or 2008, but as well try to assist the farm industry. It's unfortunate. I guess we have a difference of opinion.

I want to thank you for something—I want to put it on the record; I don't want you to think I'm an unfair individual, because you know that's not the case. Kapuskasing: Your ministry came through on the RED program for the welcome centre in Kapuskasing. I don't know if that's public, but I'm raising it in this Legislature so I can't be sued. I just want to thank your ministry for the work it did in allowing that process to go forward and for Kap being selected. I can tell you, on behalf of the town of Kapuskasing and our mayor, J.C. Caron, and our clerk, Yvan Brousseau, who did a lot of work on this, that it's very welcome and we really do want to thank you for that.

**Hon. Mrs. Dombrowsky:** It was a great submission; it truly was, Mr. Bisson.

**Mr. Bisson:** Well, I've got another one. You thought you were getting off the hook, did you? Maria Van Bommel, your parliamentary assistant, will know what I'm talking about. Opasatika, as you know, has been hit hard over the last year—I've raised it in the Legislature, and I'm not going to raise it in this committee—with regard to the closure of their only employer, the Excel sawmill.

One of the things that the community is doing to try to readjust itself is a mushroom farm. There used to be a mushroom farm there called Champignons du Nord or something like that. It's now called the Opasatika mushroom farm. They applied for money under the RED program. It wasn't a lot; it was about 45,000 bucks. The money was needed to buy the technology—the computers and stuff—that does the monitoring of the environment inside the plant so they can do whatever they do in growing mushrooms. The problem is that they were in a position where they could no longer wait for the ministry to complete the process, because the process took longer than it should—the assertion of this particular group—so they were at a point where they had to go and buy the equipment.

I asked your ministry last spring and again this summer if there would be some consideration given to this particular organization in order to come up with some alternative way of dealing with this. You may not be able to give them back the \$45,000 for something they've already purchased, but maybe we can help in another way. I'm asking for your indulgence and support in trying to move forward an application with these people, because this is going to be the only employer in town. I'd like to have your comment on whether you favour trying to fund something that's already been spent on, or do you want to go somewhere different?

**Hon. Mrs. Dombrowsky:** What I am prepared to say today is that I'm very happy that the honourable member has brought this to the attention of the committee. I think we would be prepared to sit down and have a chat with you. Maybe there are some other components that would be eligible for funding so that we can support this initiative. I'm not prepared to advocate breaking the rules or overlooking the rules—

**Mr. Bisson:** But I can; I'm in opposition.

**Hon. Mrs. Dombrowsky:** I am the advocate for agriculture and rural affairs, and I think you have brought forward something that is worthy of consideration and would commit to you today that we would—

**Mr. Bisson:** I take at face value that you're trying to do the right thing.

Just so you know, by way of background—this is a bit of an interesting story—this particular organization started some years ago but didn't succeed, and closed. It has now been taken over and basically refinanced by the parish priest, Father Noël, or Father Christmas. He has financed the lion's share of this out of his own money, which he had before he went into the priesthood. He used to be a general contractor but went into the priesthood in his 40s. He has taken his entire life's savings and in-

vested it in this particular plant, not because he's going to make a profit but to try to give the community something as far as employment. So this is really a community project, where people are volunteering and giving their time when it comes to the reconstruction of the place, rehab and also bookkeeping and all that. People are all volunteering, and this guy is fronting the bill. So anything we can do to help Father Christmas, père Noël, would be very appreciated, not only by the people of Opasatika but I'm sure by the Father himself. You don't have to comment. I just want to put that on the record.

I want to come to a couple of questions on behalf of our leader, Howard Hampton, who would like to be here but, as you see, is in the Legislature giving his response to the speech from the throne. I think we all understand and know the difficulty that the family farm is going through. Costs are going through the roof; prices are going down. I don't need to tell you. As minister, you're well positioned to know exactly what's going on. It's becoming increasingly frustrating for those people I know in the agricultural industry, especially those family farms. I have some in my riding—I don't have as many as some of the members down here—but I know in talking to a number of the families, they're saying, "Our electricity cost is going up." It's gone up by almost 30%, they figure, by this winter. Fuel cost is just outright scary. Basically, they're figuring diesel cost is up by about 30%. They're figuring the cost of fertilizer is going to go up because the cost of natural gas, which is used in the processing of fertilizer, is going up.

So they're asking me, and Howard is asking you as well, what is the government's plan to try to assist the farms, especially the family farms, in dealing with all of these costs that are going through the roof, and that are quite frankly putting them out of business?

**Hon. Mrs. Dombrowsky:** If you would just indulge me while I get that here in my—

**Mr. Bisson:** That's fine. I'll indulge you, especially if you find Opasatika.

**Hon. Mrs. Dombrowsky:** I'm really happy to have the opportunity to address this issue. It's a very important one in rural Ontario, and as Mr. Bisson has indicated, one that I know the rural members here at this table can appreciate. There's no question that in the agriculture industry there are many realities today that are bringing pressure to the family farm.

There are a couple of areas where I believe our government has taken action in a meaningful way to assist and support farm operations, call them family farm operations, in the province of Ontario. One is with regard to farm property assessment and taxation. I know that the member would know that the farm property class tax rate will contribute directly to enabling farm operations to continue to be viable. We think that's very important. Just some small but, I think, very important things as well, initiatives that the government has followed through on: for example, the point-of-sale tax rebate. When farmers can show that they belong to a farm organization, they don't have to pay provincial tax at the

point of sale. This is something that farm representatives, agriculture representatives, have long been advocating for. I'm very proud to be part of a government that was actually able to put that practice in place. I know it's something that has been very well received, and I've had a number of positive comments about that.

I will say, going forward, none of us here have a crystal ball. What I will say is that our government has a very solid record. When there are sectors in the agriculture industry in times of difficulty, our government has been there for them. We have done what we can to bring this to the attention of our federal partners—and we are partners in supporting this industry—to ensure that there are dollars set aside to address very serious issues, emergencies that impact the industry. I can say to the honourable member that this ministry and this government will continue to be there and do that in time of need.

**Mr. Bisson:** Those might be useful, and I wouldn't argue otherwise, but I'm going to come back to one of the key issues. I know, talking to one of the dairy farmers in our riding, that they are saying that in electricity costs, because of the kind of business they run, especially in northern Ontario, heating and basically the cost of electricity to run the farm, they're expecting anywhere from about \$2,500 to \$3,500 extra that they've got to pay for electricity. Just for somebody's own private house on a farm, or for your house or my house, we're probably spending an extra \$600 or \$700 a year on electricity. I was talking to a fellow who runs a greenhouse down by Swastika who was saying they're really terrified this winter with electricity costs, because obviously that's a big part of doing business. They're estimating that that can cost an additional \$20,000.

My question is this: What strategy do you have, what plan do you have, what program do you have that will assist on energy prices, electricity prices, specifically for the farm sector?

1640

**Hon. Mrs. Dombrowsky:** I'm happy to say that my colleague the Minister of Energy is working on a range of initiatives that I think will bring relief right across the province of Ontario, and certainly for farmers, family farmers. There has been a regimen in Ontario that if you produce your own power, you would not be able to sell any surplus power to the grid. Our government is working on a policy that will, in fact, enable a farmer or a producer—if they want to make an investment, if they want to put up a windmill on their property that could power their property as well, any surplus energy that they would not use would go to the grid, and they would be compensated for that. Those are some of the initiatives that our government is looking to implement, to address the very issue that you've brought to the attention of this committee.

**Mr. Bisson:** In fairness, though, electricity prices have gone up by about 30% over the last two years under your watch. People are feeling less than comfortable. On the windmill issue, I don't disagree with you. It's not a bad



idea, but I hope the price of electricity doesn't go where it needs to be in order to make that viable. You know as well as I do, with wind technology, you either have to have an elevated buyback rate on electricity from the grid or you have to have the price up in order to make that kind of investment. I'm not convinced that at the end of the day that's going to give immediate relief.

On the separate issue of energy, fuel prices, diesel prices, gas prices for the farmer, any relief in sight? Do you plan to do anything in order to assist them with their fuel costs?

**Hon. Mrs. Dombrowsky:** Again, as I indicated earlier, our government has a record that when there are sectors of the agriculture industry that are in difficulty, we are definitely there to support them. When you consider the business risk management program that is in place, this program considers the operational costs, and if the income of an operator, a family farmer, goes down, then they would be eligible to apply for the Canadian agricultural income stabilization program, and they would be compensated in that way.

**Mr. Bisson:** I want to raise something you've probably not heard of. It's something that was raised with me up in Fort Albany. You would know where that is, up on James Bay. Most of our aboriginal communities north of 51 are landlocked communities. The only way in is by barge in the summer if you live on the bay, or by airplane if you live on the bay or if you live otherwise in the wintertime. They have no roads; they are basically landlocked communities. One of the really atrocious things is the price of food in those particular communities. You'll pay up to three and four and five times the price for a bag of milk, a box of cereal, fruits and vegetables, and by the time you get them they're not the nicest picks that you would have in communities like ours. It adds to the overall problems with health that we're seeing in those communities when it comes to levels of diabetes and others.

The community health centre in Attawapiskat, the—what is it again? I hate that, when you forget a name, especially as a local member. It's the Peetabeck health centre in Fort Albany. One person who's hired there is a public health nurse who wants to put forward an idea of putting together something like a community garden or farm that would have a program to train local people who are interested in growing the vegetables that they're able to grow in the shortened season: potatoes, beets, carrots, lettuce, celery—whatever you can do. This is in order to empower people to find some of their own solutions to lower the cost of those types of items within their communities and at the same time to help maybe develop some other economic activity.

Currently, I don't think any program exists to fund that, and I'm wondering how open you would be to some sort of pilot project in Fort Albany or wherever it might be to fund that kind of idea. Basically, it would be seed money to provide the skills necessary to allow people to learn how to do those things, because traditionally the Mushkegowuk Cree were gatherers, hunters, but not farmers.

**Hon. Mrs. Dombrowsky:** I'm happy to respond in part, and I'm also going to ask the deputy to offer some comment on this. I want to share with the honourable member that we now have a Minister of Health Promotion, and I think this is the kind of initiative that we could work on in partnership with that ministry. I think you have identified a very important need, and perhaps, Deputy, you might offer some ideas in terms of what we have in place that might address this.

**Mr. Archibald:** A number of years ago, the ministry worked to create a master gardener program in the province, basically to support best practices and exchange of ideas and expertise, and a tech transfer component that has gone out and has been very successful in a number of communities. I think we could try to put the community that you were talking about in contact with this organization and see if they can provide some assistance in terms of technology. Obviously, from a location point of view, there are some unique climatic and growing conditions, but perhaps there are linkages with other locations across Canada, similar kinds of organizations where we can provide some assistance and linkages.

**Mr. Bisson:** That would be helpful. One of the things I think we need to recognize is that we're talking about impoverished communities. They don't have the shovel, don't have the spade, don't have the Rototiller, don't have any of that stuff. So part of what we need to do is find dollars to allow them to buy the equipment they need to be able to do this.

Where this might lead might be interesting, because, for example, there's no reason why there couldn't be dairy cattle kept in areas like that in order to provide milk to the community. It used to be done years ago, unfortunately under the very bad experience of residential schools. One of the good experiences was that the church basically ran the farms in order to supply their own residential schools with the food that was necessary to feed the kids, and much of that was done locally.

Unfortunately, that has all been lost over the years, and we need to find some way to rekindle that kind of approach—not the residential school approach, God forbid; that's not where I want to go—to be able to empower the community, to be able to look at what we can grow ourselves to complement what we already harvest from the land, because they're harvesters of what's on the land. Maybe there's a way of moving forward in some of these communities in a positive way.

I guess my question would be—I've heard of this particular program that the deputy had mentioned. What I'm wondering is, are you averse to or in favour of the idea of being able to provide some of the dollars necessary to buy the equipment to move them along?

**Hon. Mrs. Dombrowsky:** I would only offer for the honourable member to consider—you know that we have the Trillium program? I think you are talking about a one-time start-up cost to purchase equipment, and then the master gardeners would perhaps take over to determine the kinds of crops that would be possible and so on. I'm sensing that there would be a requirement for some



one-time investments as well. I would offer that he might consider Trillium.

The point that you're raising here today is very valid. I am reminded of something I learned in high school, when we were supporting an initiative to support some African communities, that if you give a man a fish, you feed him for a day; if you teach him how to fish, you feed him for a lifetime. I think the kind of program you're talking about is consistent with enabling people to feed themselves for a lifetime, so obviously a good investment all the way around.

**Mr. Bisson:** What about the RED program? Would that fall under the RED program in any way?

**Hon. Mrs. Dombrowsky:** I would be very happy to get a response for you. I'm not intimately familiar with the criteria there, but that's something that I think we can look at.

**Mr. Bisson:** All right.

How much time do I have, Chair?

**The Chair:** You have six minutes.

**Mr. Bisson:** Wow. Time is just flying by. Before we know it, our time will be done.

I guess a straight-up question, one that we've seen much discussion on worldwide, is the whole issue of genetically modified organisms. I'm just wondering what your position is on the production of those. Are you in favour? Opposed?

**Hon. Mrs. Dombrowsky:** With respect to genetically modified organisms, the honourable member would know that that is something that is managed by the federal government. We do, as a society, enjoy the benefits of some products that have been modified. There is no question that there can be and has been some interesting debate around GMOs. I think it's fair to say that any time it can be demonstrated that the greater common good is served and that at least environmental or health impacts are largely mitigated, it would seem to me obvious that those agencies responsible for allowing GMOs to exist have found that that is reasonable and fair.

1650

I would say that in my role as Minister of Agriculture, Food and Rural Affairs, it's not an issue that has been brought to my attention by the many groups that I have met to date. That's not to say that it's not a significant or important one. I certainly am aware of the debate around this. Having had family of mine involved at the University of Guelph, it has been a topic of conversation.

**Mr. Bisson:** How do you feel about it, personally? I'm somewhat troubled, because I think we see the levels of cancer and various toxins within the food chain that you wonder about. You see the number of people who are diseased and dying of cancer and other diseases, and you look at what is different today from 30 or 40 years ago, and it's obviously something in the food chain. I'm just wondering how you feel about it. Are you alarmed? Is this something you have some pretty strong feelings on, and what are they?

**Hon. Mrs. Dombrowsky:** My comments would not be directly related to GMOs. There is no question that I

am alarmed by the increasing incidence of diseases like cancer and others. There is no question, coming from my former role as Minister of the Environment, that I believe some of the issues that we deal with in our health system are directly related to our environment. But in terms of GMOs, I have to say that anything I would offer at this time would only be as a result of information I have received anecdotally, so I'm not prepared to go there.

**Mr. Bisson:** Do you believe there are any negative effects from GMOs?

**Hon. Mrs. Dombrowsky:** Again, I have to say that the information I've had on GMOs has come to me only anecdotally. I have done some reading on the topic, but I would not feel that I have sufficient background to make a comment.

**Mr. Bisson:** To help you out with the background, is your ministry undertaking or planning to undertake any kind of research into the health and environmental effects of GMOs?

**Hon. Mrs. Dombrowsky:** The Ministry of Agriculture, Food and Rural Affairs certainly is prepared to make significant investments in research. In terms of those areas where the investments are made, that is something that is driven by the industry, and obviously by corporate partners as well. Deputy, I don't know if you would like to comment on this as well.

We believe in providing the dollars for research and innovation. However, I think we want the dollars spent responsibly. We want the researchers to be able to demonstrate how this is for the common good. We don't do a lot of directing in terms of, "This is the area we want you to study."

Deputy, perhaps you'd like to comment as well.

**Mr. Archibald:** In terms of the regulation of the introduction of GMOs into our research program or into a production area, that's regulated through the federal government, primarily by the Canadian Food Inspection Agency in concert with Health Canada. Before any research could be conducted in any location, whether it's supported by this ministry or any other entity, it has to obtain those approvals. It has to follow whatever the guidelines or requirements are in terms of worry about any cross-contamination or destruction of crop or those types of things. It's only after that point that we would actually support or fund any research that could potentially look at any of these organisms, be it plant or animal.

**Mr. Bisson:** The overall budget of the Ministry of Agriculture represents about 0.5% or 0.7% of overall expenditures of the province. We know it was decimated over the years. It was cut quite a bit in the previous administration, and I would argue that probably, at best, it's been flatlined under yours. Are there any plans to increase the overall amount of money to the ministry in order to better respond to the needs of the agricultural community?

**Hon. Mrs. Dombrowsky:** I believe that at the time of the next budget there definitely will be a change in the figure for the Ministry of Agriculture, Food and Rural Affairs.

**Mr. Bisson:** We've seen change before, but sometimes it's less.

**Hon. Mrs. Dombrowsky:** I believe it will be positive.

**The Chair:** Thank you very much, Mr. Bisson. We have agreement that at this point we'll ask the minister for a brief sum-up, if she wishes, and then we'll proceed with the votes.

**Hon. Mrs. Dombrowsky:** Thank you very much, Mr. Chair. I did have the opportunity at the outset of these estimates to offer remarks on behalf of this ministry and our government. These few minutes provide me with an opportunity, first of all, to thank all of the participants at estimates committee, members of the opposition and members of the third party as well as government members who I believe have, in very good faith and truly with the intention of representing issues that have come to them, brought them to this forum, and that is totally appropriate. I think it is a validation of our democratic system that we have in place.

This is also an opportunity for me, since the last time I gave remarks before this committee, to identify that in our most recent throne speech the agriculture, food and rural affairs file did receive significant prominence. I am very proud that it was very clear in the document that our government is committed to supporting the agriculture industry.

There are three specific areas where we are looking to support this industry in Ontario. We believe it's very important that we work with our producer groups and assist them in promoting Ontario food products. We have heard this as well from the representative groups that we have spoken with on many occasions.

As minister, I believe we have a very fine example in place at the present time. Foodland Ontario has been a very successful program that enables consumers to identify Ontario-grown fruit and vegetables. Where we can do more work, I believe, is to have the people of Ontario understand that when they choose Ontario food products, they are choosing the best quality and safest food products that they possibly can.

Our ministry is very interested in working with other producer groups in sectors other than fruit and vegetables to establish a similar kind of program. We believe that when we promote our products, the quality of our products, the safety of our products, that will assist the other industries, the other sectors in agriculture. It will create greater demand right here in Ontario.

It's important to note that during the BSE crisis, beef consumption in the province of Ontario increased. I think it demonstrates very clearly that the people of Ontario, when given the opportunity to make a conscious choice, will choose our fine agriculture products. So the throne speech has identified that this is a task that I have, as Minister of Agriculture, Food and Rural Affairs, and I'm committed to working with the various producer groups and sectors to ensure that that happens.

Our government has definitely as well in the throne speech made a commitment to invest in innovation and research. This is one of the pillars of the agriculture policy framework that we signed with the federal gov-

ernment. Again, this is an area, when we speak with representative agriculture groups from across the province, where we want to ensure that we do not fall behind. We believe we have a state-of-the-art, cutting-edge industry, and it will only remain so if we continue to make investments in innovation and research that support our agriculture partners.

We will be working with them. We will be working through the Agricultural Research Institute of Ontario. Again, I'm proud that our government has moved the responsibility for the running of those facilities to the research facilities in Ontario—which was formerly with the Ontario Realty Corp—to the Agricultural Research Institute of Ontario, which has its own board of directors. This is a group that connects very well with industry right across the province and in other jurisdictions to understand where investments need to be made, where we need to focus energy. I believe that with the commitment of the government and with the expertise and direction of the Agricultural Research Institute of Ontario, there are going to be very good things happening for farmers and producers right across the province.

The third item that was mentioned in the throne speech that I believe very clearly indicates our government's commitment to agriculture is in the area of farm income. It has been raised at this table in many ways over the course of the last seven-plus hours that there are income issues for the agriculture sector in Ontario. Our government has begun to implement a program for business risk management.

We have listened and we have heard from producer groups who have talked to us about where the CAIS program is not meeting their needs sufficiently, where production insurance falls short of compensating them adequately. Our government is certainly committed to working with our federal partner to improve this. There is a review underway to improve the CAIS program. We intend to be very active participants and bring forward the issues that we have heard from the people we interface with.

In addition to that, there have been calls for this government to consider some additional support for certain sectors, because it is the thought that the agriculture policy framework—business risk management component will just not meet the needs of that particular sector. I have made a commitment to those groups that I am prepared to consider what they bring to me on how we as a government can perhaps better meet some of their needs.

There's no question that some of the proposals they've brought to us present us with some challenge. But, having said that, I think it is also fair to say that this government has a record, and we have demonstrated that when various sectors demonstrate a need for support from the provincial government, we have been there in an extraordinary way, and I believe that will continue to be the case.

Our government values this very important industry. It is the industry that feeds us. I know that sometimes in the agriculture sector we like to talk about it being the

second-largest industry, but when you consider, in our homes, in our families, in our daily lives there are two things we absolutely need: clean water and good food.

**The Chair:** On that note, we thank you very much, Minister.

We've deemed as a committee to come to the end of this round of estimates for the Ministry of Agriculture, Food and Rural Affairs, although because of the changes that occurred with the last cabinet shuffle, it actually has that larger name, but we are only approving the estimates of the Ministry of Agriculture and Food—not to make it sound more complicated than it is.

I am prepared to proceed, with the committee's indulgence.

Shall vote 101 carry? All those in favour? Opposed, if any? That is carried.

Shall vote 102 carry? That is carried.

Shall vote 103 carry? This is carried.

Shall vote 104 carry? It is carried.

Shall the estimates of the Ministry of Agriculture and Food carry? It is carried.

Shall I report the estimates of the Ministry of Agriculture and Food to the House? All those in favour? Opposed, if any? That is carried.

This committee stands adjourned until 3:30 of the clock tomorrow or until immediately following routine procedures, at which time we will be welcoming the Minister of Transportation to begin seven and a half hours of their estimates.

*The committee adjourned at 1704.*









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## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 19 October 2005

# Journal des débats (Hansard)

Mercredi 19 octobre 2005

**Standing committee on  
estimates**

Ministry of Transportation

**Comité permanent des  
budgets des dépenses**

Ministère des Transports

Chair: Cameron Jackson  
Clerk: Trevor Day

Président : Cameron Jackson  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 19 October 2005

Mercredi 19 octobre 2005

*The committee met at 1555 in room 228.*

## MINISTRY OF TRANSPORTATION

**The Chair (Mr. Cameron Jackson):** Good afternoon. I'd like to convene the standing committee on estimates. We are together today to begin seven and a half hours of the Ministry of Transportation.

We customarily begin with our half-hour first rotation. We will hear from Minister Harinder Takhar. Minister, welcome, and we are in your hands.

**Hon. Harinder S. Takhar (Minister of Transportation):** Mr. Chairman and members of the committee, maybe I can take a minute to introduce some of my staff members here. I have Acting Deputy Minister Frank D'Onofrio. I also have here from my staff Alexandra Pecoskie; Rob Fleming, ADM, corporate services; and, at the back, Carl Hennum, assistant deputy minister, operations services, Bruce McCuaig, assistant deputy minister, policy, planning and standards division, David Nicholl, chief information officer, transportation and IT cluster, Steve Naylor, director, finance branch, Colin Douglas, deputy director, legal services, and Brian Gaston, executive director of RUS operations.

Thank you for inviting me here today. I appreciate this opportunity to speak with you about my ministry's work.

The McGuinty government has now been in power for about two years. In that time, we have accomplished much for the people of Ontario. I am proud of these accomplishments, which I would like to outline today. They support our vision of strong, healthy communities and a prosperous economy.

A safe and efficient transportation system is central to Ontario's economy and our quality of life. It is essential to keep our goods and people moving. Almost \$1.2 trillion worth of goods move across the province's highways every year. The better traffic moves, the better off we all are.

My ministry's goal is to ensure a safe and efficient transportation system, and we aim to do this in a fiscally responsible manner. We are not just talking about creating a transit culture; we are creating a transit culture in Ontario. In 2005-06, we are investing more than \$800 million in transit funding across the province, and we are delivering on our commitment to share a portion of the gas tax with municipalities to improve public transit.

Ontario has major challenges ahead. The population in our province is increasing. Thirty years from now,

another four million people will live in the greater Golden Horseshoe region alone. Now is the time to invest in improvements to support that growth.

Due to years of neglect, much of our infrastructure, including roads and bridges, needs repair. That is why we are investing in our infrastructure. We are looking to find cost-effective ways to invest in our infrastructure and to manage those investments responsibly.

In 2005-06, this fiscal year, the province will invest more than \$1.2 billion in highway infrastructure programs across Ontario. That is a 14% increase over last year, a record high. And it is money well spent. This investment will allow for the construction of 150 major contracts across Ontario to maintain, improve and expand Ontario's highway network. Road maintenance is one of the biggest expenditures for my ministry. In 2005-06, our budget for highway operations and maintenance is more than \$274 million. Our strategy is to invest now in maintenance, repair and upkeep of our highways so that we don't wind up paying more down the road. Highways, like cars, last longer if they are properly maintained.

**1600**

As Minister of Transportation, I'm proud to have introduced important legislation to improve safety on our roads. Bill 73, An Act to enhance the safety of children and youth on Ontario's roads, was passed into law last year. Bill 169, the transit and road safety bill, is currently being reviewed by the Legislature.

I will detail some of our highway infrastructure improvements and our safety measures later in my remarks. First, I would like to talk about a key way to keep people and goods moving and alleviate gridlock: public transit.

We are getting public transit back on track after the previous government eliminated provincial support from cash-strapped municipalities. We are the first Ontario government to provide a long-term, sustainable source of transit funding that municipalities can count on. I am proud to say this government is delivering on our commitment to gas tax funding. It is being phased in, and by late next year, two cents per litre of every litre sold in this province will go to public transit. Over the next four years, gas tax funding alone will add more than \$1 billion in investment in transit systems across Ontario. It will serve 83 transit systems in 110 municipalities. Municipalities currently without transit services will be eligible for funding once they have services up and running. We estimate that gas tax funding will help lead to more than 33 million new transit riders by 2007.



Our stakeholders are big supporters of gas tax funding for transit. Roger Anderson, president of the Association of Municipalities of Ontario, calls this an important step toward a new deal. To quote Dale Richmond, former acting CEO of the Toronto Board of Trade, "Gas tax dollars are good news for Toronto's business community because it will help reduce the time and costs of moving people and goods across the city."

We are also making a big commitment to GO Transit, which carries 45 million riders every year. For the 2005-06 fiscal year alone, we are investing \$300 million for GO's operating and capital costs. Our government is meeting the needs of GO commuters, and is doing so by purchasing 27 new, more powerful, fuel-efficient locomotives that can pull two more cars, adding 300 more passengers per train; increasing the number of bi-level rail coaches to carry more passengers; providing a customer e-mail alert service—e-news—to advise of delays or schedule changes; lengthening train platforms to accommodate longer GO trains and more passengers; and opening four new GO stations: East Gwillimbury, Mount Pleasant, Kennedy and Lissgar.

I cannot stress enough that when it comes to our transportation systems and public transit, we want to ensure both are seamless. We are working to create a partnership: the Greater Toronto Transportation Authority, or GTTA. GTTA will coordinate transit planning, investment and services and make sure that transit is seamless and integrated. We are working to build consensus among municipal leaders. We want to ensure the system we put in place is supported and will be a success.

We have introduced a new fare card to make travel much simpler across the GTA. Instead of tickets, tokens or a pass, the swipe of a card will work for all participating systems, whether it's GO Transit, the TTC or a municipal transit bus in Oakville or Oshawa. People will be able to top up the cards at kiosks or on a secure Web site. The fare card will start in 2007 on city buses in Mississauga, the TTC's Union Station and on the GO Milton line. It will be fully implemented system-wide by 2010.

We are doing everything we can to make transit better, encourage more riders and reduce the number of cars on the road. One transit bus can take as many as 50 cars off the road.

We are also making better use of limited road space by encouraging carpooling. Right now, most cars on the road during rush hour carry only one person: the driver. It is a waste of highway space. We're proposing to be the first government to build high-occupancy vehicle lanes on Ontario highways. We are adding new lanes to sections of Highways 403 and 404 and we are proposing to limit them to transit vehicles or cars with two or more people. Earlier this year, I introduced the transit and road safety bill, which, if passed, would allow for HOV lanes to be effectively enforced. I will have more to say about Bill 169 in just a moment.

Traffic congestion is a major problem at our border crossings to the US, where more than \$700 million in

goods pass back and forth every day. A report by the Ontario Chamber of Commerce estimates that delays at the border cost the US and Canada more than \$13 billion a year. Ontario alone absorbs \$5.25 billion of this cost. So it is clear that keeping traffic moving at our borders is essential to the economies of both countries. The border crossings between Windsor and Detroit are Canada's premier trade gateway: 45 % of all Ontario-US trade flows through it. That is why we are partnering with the federal government and the city of Windsor to invest nearly \$500 million in construction of a major Windsor project to ease congestion at the border. This includes \$300 million as part of the Let's Get Windsor-Essex Moving strategy.

Our technical people have also met with Windsor officials on suggestions made in the city's recent Schwartz report, released in January. Schwartz, a traffic consultant, proposed a number of solutions to ease border congestion, from a new Windsor-Detroit rail tunnel to a new multi-modal air, rail and truck facility.

Projects such as the ones being implemented through the Let's Get Windsor-Essex Moving strategy and others will go a long way to easing traffic congestion and creating the seamless transportation system we envision. We are working closely with our American partners in this as well. Improvements are planned or are underway at all seven of our crossings, which include Sarnia-Point Edward, Fort Erie, Queenston-Lewiston and Thousand Islands.

I'd also like to point out that my ministry is working closely with the federal government to shape a security strategy for the transportation sector in a post 9/11 world. We recognize the need to address security challenges at our international borders and on our public transit systems. To that end, my ministry has improved the security of Ontario's drivers' licences and we are actively taking further steps to improve it.

Let me talk a little bit about highway infrastructure financing. Our investments will keep our highway system in a state of good repair, ease congestion and drive economic prosperity. We are also investing to keep our roads safe. I am going to provide you with a few figures: In 2005-06, the Ontario government will invest a record \$1.2 billion in highway infrastructure programs across the province. We have earmarked \$582 million for construction in southern Ontario; \$297 million will go to construction in northern Ontario. The Windsor gateway will receive \$19 million. And \$237 million will go toward design, property acquisition and support for the construction program.

I would like to talk for a moment on northern Ontario. Highways in the north are a lifeline for northern communities. Improvement has been much needed, long promised and longer overdue. A few weeks ago, it was my pleasure to announce a record \$1.8-billion, five-year plan for highway improvement and expansion in northern Ontario. No other government has ever made such a commitment. We have committed to \$1.1 billion in pavement and bridge improvements and \$700 million in high-

way expansion. The plan includes expediting the four-laning of Highways 11 and 69, with planned completion in seven and 12 years, respectively. These are real and achievable timelines. The northern Ontario highways strategy is the first of its kind and a great example of the McGuinty government's commitment to fostering prosperity in the north.

**1610**

At the same time, this government is making good on its commitment to expand and improve the highway system across the province, including the greater Golden Horseshoe area. Here are just a few examples of key construction projects:

- the rehabilitation of Highway 417 in the Ottawa area from Limoges Road to Casselman;
- the widening of Highway 401 from County Road 38 to Sydenham Road near Kingston;
- the construction of Highway 17 north, a new four-lane highway from the trunk access road to the Garden River First Nation;
- the widening of the QEW in Niagara to improve border access;
- the widening of Highway 401 from Windsor to Tilbury and from Cambridge to Woodstock.

There are many other important construction projects I would like to tell you about, but I am afraid that if I did I would go way over my allotted time here today.

I would like to take a moment, though, to mention the positive media coverage of the work of the Ministers of Transportation across the country to redefine the national highway system. Staff in my ministry worked closely with the federal government to re-examine the 1988 NHS. Through this work, Ontario has made significant gains, making more highways eligible for federal infrastructure funding.

The next matter I want to discuss is safety, which is a key priority of my ministry. Yes, an efficient transportation system is critical in our society, but it is of utmost importance that the citizens of Ontario are safe on our roads. Ontario's roads are the safest in North America, but we are always looking at ways to improve our safety record.

Pedestrians represent about 15% of motor-vehicle-related fatalities in Ontario. Some 45% of pedestrian fatalities occur at intersections and pedestrian crossings. It is a sad fact that children are nearly five times more likely to be killed than adults. Speed is one of the biggest killers on Ontario's roads.

That is why we are proposing to crack down on the worst speeders:

- by more than doubling minimum fines and adding three demerit points for drivers who ignore school crossings;
- by doubling minimum fines for drivers who don't yield at crosswalks;
- by allowing all municipalities to set a 30 kilometre-per-hour speed limit in areas where traffic-calming measures, such as speed bumps, are in place; and

—by substantially increasing the fine for speeding from 30 to 34 kilometres per hour over the limit; for example, the fine for speeding 30 kilometres an hour over the speed limit would increase from \$135 to \$210.

Bill 169 is currently being considered by the Legislature. The bill would also mean longer licence suspensions for those repeatedly convicted of excessive speeding: 50 kilometres per hour or more above the posted limit. We all want drivers to take safety seriously. We think this bill would help save lives.

However, the high-impact, low-cost safety measures in Bill 169 would not have a significant effect on our enforcement resources. In fact, the proposed measures would better support police efforts to enforce the Highway Traffic Act. Ministry staff will continue to work with police and stakeholders to develop an effective public education campaign to accompany the bill.

Bill 169 would also tackle the issue of highway congestion. If passed, it would allow police to open highways faster after a collision or spill. It would clarify powers and protect police and the province from liability. Sometimes trucking companies or their insurers want to bring in a clean-up crew from hundreds of kilometres away; it can take hours. Our proposal would ensure the orderly movement of traffic. It would also shorten the dangerous period during which stopped traffic may be stuck from behind.

OPP Sergeant Cam Woolley told the Toronto Sun about Bill 169: "The police have been waiting for this legislation for a long time. It's going to save lives, improve the quality of life and the economy." I could not have said it better myself.

Another piece of legislation the McGuinty government introduced to make roads safer, especially for our kids, was passed last December. Bill 73, an Act to enhance the safety of children and youth on Ontario's roads, improves safety for toddlers, school bus riders and teens. It protects toddlers and small children by making booster seats mandatory. All drivers who are transporting children, including grandparents and babysitters, must use a car seat or booster seat. The law means that owners of vehicles now face a \$2,000 fine if their vehicle illegally passes a stopped school bus.

This bill will further protect children riding school buses by requiring new safety features on all Ontario school buses built after January 1, 2005. The features include more emergency windows and side mirrors and crossing arms to stop children from walking in front of the bus where drivers can't see them.

It protects teenagers by strengthening the province's graduated licensing system. It limits the number of teenaged passengers a teenaged G2 driver can carry between midnight and 5 a.m. Our analysis shows that teenaged G2 drivers are almost three times more likely to be involved in a fatal or serious collision if they are carrying teenaged passengers—the more teenaged passengers, the higher the risk.

You can see from this that safety is a top priority for my ministry and for this government. By working very



hard to make our roads safer, we are saving lives and building safer communities for everyone in Ontario.

A safe, efficient, modern transportation system is crucial for moving people and goods. It keeps our communities strong and drives Ontario's economy. In the 1950s and 1960s, our transportation system was a model for North America. With our commitment to good planning, sound investment and fiscal responsibility, our government can make Ontario a leader in transportation once again.

Thank you again for this opportunity to share with you the important work my ministry is doing for the people of Ontario, our economy and our future. I will be very happy to answer any questions you may have.

**The Chair:** Thank you very much, Minister. Now I will recognize Mr. O'Toole.

**Mr. John O'Toole (Durham):** Thank you, Minister. It's a pleasure to be here. I apologize that I was a little late coming, but I'll certainly get a copy of Hansard. I do also have a copy of your speech here.

I want to start out by saying, in the ministry's defence, that over the last 10 years that I've been here I find it probably the most responsive ministry that I deal with at a constituency level. A lot of times, as elected members of whatever party, it's important that we get responsive feedback to concerns that are brought to our attention, whether it's the condition of our provincial roadways or other observations that are made.

I can tell you that in my riding of Durham at the moment there are two or three projects underway. I would say that I'm very happy with the work that's being done and continues to be done on Highways 7A, 35, 115, 401 east of Oshawa, in parts of Oshawa and certainly around the Salem Road interchange. I'm very concerned about progress being made as quickly and expeditiously as possible on Stevenson Road, a huge issue for the region of Durham.

So starting off on a positive note, I commend the staff of the ministry. I've always felt that I've had very good responses from and relationships with the ministry, and I certainly want that to be on the record, because most of what I have to say is probably more critical, as it is my role as the critic to bring concerns to your attention.

I think, in any sequential way, I want to say that Mr. Dunlop has a few specific questions, and his time is limited, so mine is as well. So I won't be too pushy on some of the stuff.

I think it's probably important first to deal with the bill that's before us. Bill 169 is a bill that's before the Legislature. In fact, it was supposed to be debated in third reading this afternoon. The House leader set that aside, probably under your direction, because of your presence here today—or ministry staff; I have no idea, but I'm well prepared for that debate.

1620

I would say, though, that that bill, respectfully, shows the continuity between governments to some extent, with a couple of exceptions. As you probably know, much of the work done was in the legislation presented by Norm

Sterling, Bill 241. I commend you for replicating that work and bringing it forward as soon as possible, because you had pointed out that some of the incident management and traffic congestion initiatives are supportive of it. I would say that John Tory and the opposition are in support of that.

As you know through question period yesterday, we did have a couple of concerns—some of which were of a political nature, some of which were really of a substantive policy nature—about the attention being paid to the section of the bill dealing with the airport limousine issue. I want to treat that as an issue that, in all senses, it's probably best to state in third party observations.

Some years ago, as you know, the history probably started when the province interfered inadvertently and probably shouldn't have. They should have left it under municipal jurisdiction between the city of Mississauga and the city of Toronto. I suspect and hope that that's how it would be done. I think that would reflect very well on you and your ministry to—not for any motives by the government. In all fairness, we entertained a bill similar to your content in Bill 169, and it wasn't passed.

But I'm looking at third party endorsement here. David Miller's letter, dated September 29, is probably a case in point:

"...the city indicate its opposition to Bill 169 ... as it pertains to 'scooping' fares at the airport, unless it is amended to remove the exemption that permits airport-licensed vehicles from 'scooping' fares within the city of Toronto and the Minister of Transportation and opposition critics be so advised."

You're probably aware of that correspondence. Mayor Miller is a consensus kind of leader. He sort of said, "I support council's position on this matter." There's a third party, some would say NDP, perspective. Gilles would like to hear that, I'm sure. He's saying that it's the right thing to do.

When you look at some of the issues around fairness, I could live with the solution that levels the playing field both ways. I know there are more taxis in Toronto than there are limousines at the airport; I'm aware of the implications of allowing that to happen. But there are members of your caucus whose future will depend on you forcing this through, forging ahead, failing to listen to the committee during the hearings, where there were many proponents of both sides of the issue. I have quite a few comments in the Hansards from those hearings on Bill 169.

I leave it at that, because I think the second issue that, as a party, we have a concern with is something that maybe didn't receive—just to wrap that up, we did move an amendment which I thought was rather conciliatory. All it said to you is, "Don't proclaim that section." I mean, you can pass the bill; you're government and you probably will pass the bill, but all we're asking you is not to proclaim that section dealing with the scooping issue. You may find other resolves. We, as a party, would like to support the bill, but we will probably find some difficulty, because that issue has been left out there as

somewhat contentious in its nature. I'll leave that with you.

The second opposition that we certainly would have would be the failure to resolve the driving school issue. In fairness, ourselves—again, I go back to being as unbiased as possible in this discussion. I commend you for disbanding the Ontario Safety League, in terms of whether or not they were doing what they were contracted to do. I understand that you have now given that to independent arm's-length audit groups to look at the operational functions of giving out driving school safety certificates.

As it turns out—I'm referring to a couple of things here—there was quite a good article on television which really clearly indicated that there was a miserable misuse of the validity of the certificates themselves under the old regime. The solution there is to have a self-regulating organization by your own design, if you will, that deals with compliance, as most colleges or regulatory bodies are compelled to. I do think the bill somewhat fails to resolve that issue. I think the driving school association made a couple of very important presentations to the committee. I'm sure you're very familiar with the argument. We were, as government, and probably didn't solve it either. But you have an opportunity in this legislation to resolve the regulation and enforcement of compliance with curriculum and content for the validity of these driver safety certificates that are awarded.

You get revenue—I'm not sure, and we'll leave that as a question for you to provide the response for us, but about \$4-plus is sent to the ministry for every certificate. But it's my understanding that now you're just giving the certificates out. Hopefully, you know how many you've given out to whom so you can say, "Gee, there are 5,000 out there." Maybe they're doing laser printing. There could be counterfeit certificates out there; in fact, some would suggest there are. I'm not yet aware of the auditor's comments on that, but the auditor's report is a substantive document. The committee on public accounts dealt with your ministry and there are several issues that will arise as part of these ongoing discussions. That is the other issue we have some problems with in Bill 169.

How much time do I have, Mr. Chair? I do want to leave Mr. Dunlop about half the time.

**The Chair:** You have about 20 minutes. I've been advised by Mr. Dunlop that he needs 10. I will signal you.

**Mr. O'Toole:** If you'd just give me a signal, Chair, I'd appreciate that.

This is sort of complimentary and not meant in a backhanded way. Compliments come from me after a lot of reflection—I'd like to criticize if I could, because I'm a critic. That's the job.

I brought to your attention a couple of issues. The work being done that I say is a compliment is on 35/115 at Orono. You've done a great job on the sound barriers on that section, and I know there was similar work on the 401 in Newcastle. It's very expensive—they do a lot of studies and all that kind of stuff. My advice to you is,

don't have the public meetings too much before you're prepared to put them on your capital priority list. That was done earlier in our mandate and we never did it. So for four years I had nothing but complaints because it was never done. That's advice, if you will. You are doing it—we didn't—and I commend you for doing it, because I'm taking the credit. No, not really. They know your good and able staff are doing that.

But at that particular location there is something, which I have argued since I was a regional councillor in Durham, that should be done. I mean this as a non-political comment. The Taunton Road exit from the southbound portion of 35/115—a couple of years ago they did put an advance warning sign that that ramp was coming up on people, but people are driving 110 or so up to that ramp. Maybe they should be travelling slower. They come on the ramp and there are about three roads that merge right at the end of a very short ramp. I know the region has jurisdiction over Taunton Road; I understand that. But certainly that ramp exit should have been extended. I'm telling you—I use it weekly—I almost got killed twice. It's just terrible.

I leave that with your ministry. I have written on it within the last year and in previous years as well. There is video evidence of it. I know it takes an agreement with the region. What they've got to do is extend the merge lane; just extend the pavement 30 feet. That's all. We're not asking for the whole environmental assessment nine yards. I've talked to regional council about it. It's an issue where you could probably, while you're there—you're still there grinding up the road. I find it difficult to go to some of my meetings, but I overlook those short-term interferences.

When we get traffic problems on Highway 12—Mr. Arthurs may want to bring this up because he services a lot of that part. That road is becoming very busy. There is work being done on it to accommodate some of the overflow from 407, since it comes to Brougham. This brings me to the point that the 407 east expansion—this is a brand new topic—is absolutely critical, not just for me on a personal level. It goes right through my riding and creates a lot of havoc for me on land acquisition issues. You've been very good in terms of having public input and consultations, and that's valid.

The major concern I have is dealing with significant landowner situations. I'm going to bring one: It's called the Powell farm. It's a family farm: a father and two sons, with many generations of farming—very prosperous. It's right north of Durham College at Simcoe Street. There won't be a farm there. That should not be bought out as farm property; it should be bought out as what it's going to be, the future destination of a Westin Harbour Castle Hotel or whatever. That's the problem. They need to get on with the business of farming. I believe that location—I'll put it on the public record here; I'm not an engineer nor am I qualified, but I do live there and am quite familiar with the area—should go north of Winchester Road. There are a couple of locations there where it crosses back and forth. It probably



cost millions of dollars. I want that on the record: It should go north of Winchester, somewhere in the vicinity of the new university, and stay over there, instead of going down below and then back up. They'll have to rebuild Winchester Road. There will be dislocations—the Knights of Columbus Park and a whole bunch of other land issues—so there's no easy solution.

1630

The east expansion needs to be built. I'll leave that as a question. I need to have the date of when you're going to get on with it. I could talk more about it, because Wayne Arthurs and I were on regional council at the time when what they called the technically preferred route was mapped out. I recognize some of your staff in the audience that have lived with that file; they've made their career out of that file. Hopefully, their career on that file will be ending soon. So I bring that to your attention.

Laurie Scott, Jim Flaherty and I had a gridlock meeting in my riding last week, represented by the chambers of commerce from the city of Kawartha Lakes, Whitby, the Greater Oshawa Chamber of Commerce, the Clarington Board of Trade, a very large group of commuters and other interested transport stakeholder companies and stuff like that. The biggest issue there was the 407. That was without their being prompted; there was no agenda for them to bring up certain issues.

A compliment, Minister, on a second issue: in the fastest-growing area in this province, the expansion of GO service. I know you are doing something with the municipality of Clarington, Mayor John Mutton, to bring an express bus service from Clarington. I think you've done some land acquisition around the plaza there. You're going to have an express bus to Oshawa. That's a smart idea, because there's no more parking at the Oshawa GO station. It's a huge issue.

They are building internal transit. I like the initiative in the throne speech that there should be a smart card. Durham region is going forward with an integrated transit system. That's to start this year. It's huge money, with lots of political footballs on that issue. I'd say to you that they should be the smart card community for implementation. You really can't integrate transit without the smart card. It's too much time at the fare box and making change—non-value-added activities. Get the card and put it out. If it doesn't work, if you implement it in York region or Ottawa or some of the other larger cities it will probably be ironed out. I'm convinced that Durham region would work with you co-operatively. They want to do the right thing. They're expanding transit; we're expanding GO to Port Perry. These are all good initiatives.

I say this with some kind of personal agenda here, because I am also asking you today to implement my private member's bill. I've met with the academics from the Canadian Urban Transit Association—Dr. Roschlaw, I think it is—and a few others. I've actually written to federal Minister of Finance Goodale to make sure that it's a non-taxable benefit to incent the use of public transit. I think it is part of the solution. It may not even be

a popular idea amongst some persons in my riding, but I do believe the solution is not a lot more roads but improving transit service to get into congested areas. There's no more space left to park or to bring all those thousands of cars in for people who want to go to work in Toronto from York.

I commute every day. It's now two hours a day each way for me. I'm in my car almost as long as I'm here. I'm going to suggest that they extend question period, because I don't get a chance to ask too many questions. I'm being flippant there, but I would say that increasing the use of perimeter surface will relieve your necessity to buy more parking lots. Parking lots are a loss of commercial income for municipalities, because those would be commercial highway frontage properties. Why are we putting cars on them? That doesn't make any sense.

My sense is that there's an aversion today to get on the bus, but there isn't to get on transit. I use transit as frequently as I can, and because I'm on duty today, I've missed the last train. I'd have to wait for an hour once I get down to Union Station. There are more people in Durham than in all of Nova Scotia, maybe Nova Scotia and Prince Edward Island.

So forget about Hazel. She whines all the time. They've got all the roads. They've got all the transit. Start to think of Roger Anderson and Mayor John Gray in Oshawa. You were there for an announcement on the low-platform buses, and I commend you for that, because there's capital money there, as well as Marcel Brunelle and John Mutton from Clarington.

Durham region is ready, willing and able to be a very significant contributor to some of the issues of frequency of the trains and GO Transit, and this will all enhance ridership, because if you implement my bill, it would give a tax credit. You could control that through regulation of how much. You could implement it over a number of years. It's better than the gas tax. The gas tax doesn't work for Blackstock; it doesn't work for many parts of Ontario. It's unfair. They're collecting the money from the people who are paying a fortune for gas today and not getting any money. That's an argument I'm sure Garfield will be making clear.

It's fine for the urbanites to get all this gas tax money. David Miller will be giving everybody an increase. There won't be any more people on transit, minus a direct subsidy to the user. In fact, I would only give it to people who buy monthly or annual passes. I'd make it a non-taxable benefit, as well.

Now, that's the problem. Federally, they want to treat these things—now, what's the argument here, Minister? The argument here is—this is a real privilege, to get this chance to push my bill on this. It's his time, and he doesn't have to answer questions. On this bill, the problem was issuing, collecting and monitoring valid, legitimate receipts. The smart card solves that problem. It's like your 407 toll, solved. You've got the transponder? See you later. Here's your bill. Go to court. Now, you haven't solved the 407 issue, but I didn't think you could. You knew you couldn't. You just spend a lot of money in court.

I do say in all sincerity, this is a really good opportunity to recognize that smart policy is smart politics. So I'll leave that with you. I know that you're a smart person. You run a large business—well, you don't run it any more, at least as I understand it; certainly at arm's length, except for dinnertime, of course. Those are just flippant comments.

**The Chair:** There are 10 minutes remaining, Mr. O'Toole.

**Mr. O'Toole:** I have 10 minutes remaining?

Thank you for the opportunity to address you directly, Minister, because I have a lot of respect for the challenge ahead of you to implement my bill.

**The Chair:** Mr. Dunlop, 10 minutes.

**Mr. Garfield Dunlop (Simcoe North):** I appreciate the opportunity to make a few comments today. I have to tell you, I'm a new member of the estimates committee and I'm learning very quickly.

I want to say a few things about MTO to begin with. I know a number of the people in the room, and I know you see governments come and go. Like Mr. O'Toole, I compliment the ministry for sticking with their plans and trying the best they can to keep our roads in a well-planned manner, safe and secure. I think the minister mentioned moving in a direction for increased public safety on our roads, increased safety of the vehicles and the way we transport our children in our school buses etc.

I didn't hear the minister say this in his comments, but I think it's safe to say that for a number of years now in North American studies, our roads in the province of Ontario have stayed reasonably high on that list; usually, if they're not one, they're number two. So I think we should all be proud of that.

A couple of further compliments, and then I do have a couple of specific area-type comments. As a person who travels a lot of kilometres per year on the roads in my role as an MPP—I drive one specific car for that job—I generally put between 60,000 and 70,000 kilometres a year on my car. I want to say to you that I've watched two companies in my region—first of all, it was Beamish Construction, and now it's TWD Roads Management—and I just want to pass on that I think they both did an excellent job, and are doing an excellent job, of maintaining the roads. I see them out there on weekends cleaning culverts. I know there was some opposition to the contracts, but I just want to pass on from a personal point of view that I think they've done a fairly reasonable job.

**1640**

The other thing I would like to pass on—and I wish our government had made the initiative because I brought this up a few times—is I'm very pleased to hear that the government and the Minister of Transportation are going ahead with HOV lanes. I first travelled on HOV lanes, I guess, about 10 or 11 years ago, in Washington and the Virginia area. Actually, I was extremely impressed with that program. In Washington, you have to have four vehicles in a car, because we happened to be with two—

**Mr. Gilles Bisson (Timmins-James Bay):** You mean four people in the car.

**Mr. Dunlop:** What did I say?

**Mr. Bisson:** Four vehicles.

**Mr. Dunlop:** Well, that's the kind of day it's been. No, it's four people in a car.

My wife and I spent a week in Washington with another couple, and we were allowed to travel in that lane. I've got to tell you, if we can get these things up and running, they will in fact keep a lot of cars off the roads. I think I heard the minister say "a minimum of two in a car." If somebody could respond as to why we couldn't jump that to four, I would like to hear that answer at some point because it seemed to work well in Washington. I've seen a lot of buses and these small cube vans with eight or 10 seats in them. I think there's a fine; you could report a car, also, that did not have the four people.

I know it will take money to put the HOV lanes into place, and I hope it's not at the expense of planning in other areas. My colleague from Durham made a passionate plea for road improvements in his region, but I've got to tell you, the province of Ontario doesn't end at Durham; it ends at Simcoe county.

**Mr. Bisson:** We know. We live in northern Ontario.

**Mr. Dunlop:** We have a couple of roads in Simcoe county—and I told Jim Wilson I'd mention this today; he's actually on TV right now on the mandatory retirement bill. More specifically, in my area we've been expecting an approval and actually to see construction of Highway 12 between Coldwater and Orillia for some time. As an MPP it is by far my number one road issue or traffic issue.

We're very fortunate in that region. We have Highway 400 and Highway 11 both going through the region. They both go through the riding of Simcoe North. They're well maintained and looked after. We get a tremendous amount of traffic through that part of the province. I can also compliment both Minister Klees and Minister Takhar for finishing up Highway 93. I'm not here simply to criticize, but I do want to say that Highway 12 was the priority road, as far as the condition it's in.

Then, of course, if we could respond to the timing of Highway 26 at some point—I think you've all heard about this: the realignment from Wasaga Beach to Collingwood. I think it's safe to say that with the \$1-billion-plus expansion by Intrawest in the Collingwood area—there's a substantial number of new homes—Wasaga Beach, per capita, is the fastest-growing municipality in, I think, Ontario today. They're growing by leaps and bounds and there's a huge amount of traffic in that area. So Highway 26 and Highway 12 are the priority areas that I hear the complaints and the concerns about.

Minister, it doesn't have to be today—I'm thinking along the lines of Minister Watson's new area, the Minister of Health Promotion—and don't laugh at me for saying this, but I've actually already suggested this for one county road, and that's bike lanes or running lanes for people. Perhaps I could just explain a little bit. On County Road 44, the road that runs from the casino at



Casino Rama through to Washago, the county is going to redevelop that road. It's a fairly big redevelopment program. A couple of years ago, because there are so many campgrounds and cottages along that area, I asked the county, "Why wouldn't you proceed and try to have a bike lane there?" I have seen them in Waterloo region; I've seen bike lanes on the roads. It's for public safety as well as for promoting physical fitness. I've had a couple of e-mails just this week, following a Highway 12 public hearing—I think it was held at Warminster a couple of weeks ago—from MTO, and I've had a bunch of e-mails come into my office asking me to investigate if any of the provincial highways have ever had a bike lane, and if it may be an idea to promote a healthy lifestyle and public safety at the same time. We would love, if that's a possibility at all, to be a pilot project. I know there are going to be some truck lanes etc. when it is built. If you could investigate that, and maybe even possibly comment, whether it's today or at another point.

*Interjection.*

**Mr. Dunlop:** I'm down to one minute? OK. Just a comment through Mr. Arthurs, who's the Chair now: It would be a good opportunity for you to take advantage of some of these announcements and announce them together in the Durham area.

Those are the comments I had today. I guess we're together for a total of seven hours? Is that what I heard?

**The Acting Chair (Mr. Wayne Arthurs):** Seven and a half.

**Mr. Dunlop:** Seven and a half hours. I guess I'll have to find other things to talk about as well. In the meantime, those are comments we could start off with today.

**The Acting Chair:** The floor is now over to the third party.

**Mr. Bisson:** Welcome, Minister, and to the staff of MTO, who work under difficult conditions at times trying to keep our highways open and operating. I appreciate the work you do. I've got some specific questions. I don't want to do a 30-minute speech; I just want to get into some of the things that I think need to be raised, in no particular order.

I just want to raise one issue that we've been seeing much more of, and I'd be interested to hear from the Liberal members if they're getting the same thing; and that is, people who are having their driver's licences suspended as a result of a visit to a doctor or a visit to an emergency. At one point, I believe it was under the Conservative government—I'm not sure if it was a law or regulation—that any time you present yourself to your doctor or emergency or a health clinic, if there is suspicion that the person has had some kind of a seizure or something that may be an incapacitation from being able to drive, a report has to be filed to the Ministry of Transportation. As a result of that, the person's licence is withdrawn. It's causing a lot of trouble. We all agree with the intent, which is that we want to make sure that people who have a driver's licence are safe and able to drive and do not put themselves, their passengers or other people on our highways or roads or sidewalks, whatever it might be, in danger.

But what we've seen, at least in my constituency office, is a pattern of a couple of things happening. One is that we have a lot of people who have had their licences taken away that, quite frankly, shouldn't have been taken away. I'll give you one example: One particular gentleman—I don't want to use his name; I do have a waiver signed by him, but I didn't tell him I'd be raising his name at estimates. He went to the hospital because he wasn't feeling well, at one point about two years ago. He was seen by a neurologist just as a matter of procedure. A guy by the name of Dr. Meloff, who is a neurologist, happened to be in Timmins doing his duties that day; he comes up from Toronto and does work in the city of Timmins. Just because he happened to be there, they said, "It would be a good idea to pass you on to Dr. Meloff for a consultation." Dr. Meloff looked at him, said, "No, there's nothing wrong with you. You're fine. You had a dizzy spell. It might have been something you ate." God knows what the stated reason was. "But that's the reason you passed out. Away you go." He was forced, along with the attending physician, to fill out a report. When the report was filled out by the nurses at the beginning, it was listed as a seizure. The guy lost his licence. It took my office 10 months to try and get this guy's licence back that should never have been withdrawn, to the point that the attending physician, the physician who was the family doctor and the neurologist who treated him all had sent in letters to the Ministry of Transportation saying that this man did not have a seizure and that there was no reason he should lose his driver's licence. We were unable for the longest time to get the ministry to overturn this suspension.

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Finally, thanks to Nathalie Walsh in my office, one of my constituency workers, we managed to yet again go back to the doctors for about the third time. The first time we were rejected, the second time we were rejected and the third time we gathered all the letters again. The doctors were all mad as heck because they've got better things to do. Basically, we asked them, "Could you please give us some letters again that say that this man didn't have a seizure and there's no reason there should be a suspension or even a limiting of his licence?" Again, we got letters from his family doctor and the neurologist, at a real pain to the neurologist and the doctor because they've got better things to do, and he got his licence back.

There's no reason for that. If it was only once, I'd say, "This guy got caught in the trap." But the reality is it's more than once. I've taken the time to go back and talk to the medical community, at least in the city of Timmins, and I've talked to a couple of doctors up in Hearst and Kap about this, and what they're telling me is that part of the problem is that when the person comes in, they are forced to fill out a form if they believe he had any kind of seizure. They're saying that, number one, that's putting them in a heck of a position. The guy had a seizure; of course he had a seizure. The good doctor across the way knows what I'm talking about. But what is the cause of



that seizure? It may very well be that the person didn't eat well the day before or maybe he fell and hit his head: I don't know. But sometimes it's not because of a pre-existing long-term disease.

I would like whoever is responsible for that department up front so I can ask a couple of questions on that. Who's responsible for licensing, other than the minister?

**Hon. Mr. Takhar:** Do you want to do it now?

**Mr. Bisson:** Oh yes, this is my 30 minutes, so I want to do it now.

**Hon. Mr. Takhar:** I will let the DM answer.

**Mr. Bisson:** My first question to the DM is, do you have any stats to indicate how many suspensions we've had over the last two or three years, year per year?

**Mr. Frank D'Onofrio:** Given that we have 8.5 million drivers, we do have a heavy workload. I wanted to say a couple of things in response to your questions. First, the standards we use are national standards and they're created by the jurisdictions across Canada in consultation with the medical profession. Seizures are a specific area of concern. I have to admit that's certainly the case because whenever there are seizures involved, there's obviously a concern about being on the road and driving, and that's something we should all be worried about.

We do have volumes of reports that—

**Mr. Bisson:** OK, can you provide that to the committee, please? I would like to have the numbers of suspensions because of medical reports, let's say over the last five years, year per year, and how many were reinstated, if that's possible.

**Mr. D'Onofrio:** Sure. The most recent year I have is for 2004, when we had 10,500 suspensions for medical reasons. That's been pretty consistent over the years. There were 10,000 in 2003 and 10,200 in 2002.

**Mr. Bisson:** Is it your view that the ministry has the capacity to deal with the volume? I mean the amounts that are coming in by suspension. Do we have the staff necessary to do the due diligence that needs to be done to make sure licences are not unnecessarily suspended?

**Mr. D'Onofrio:** Yes, I believe so.

**Mr. Bisson:** I don't believe so. I don't want to argue with you, but that is not the impression out there. I'm trying to help you here.

**Mr. D'Onofrio:** I can tell you that when cases come in, we categorize them into the most serious, so seizures would be important and dealt with most quickly. I can also tell you that the decisions are made on the basis of the most recent medical opinion that comes in to us. So if one opinion comes in that says there might be a problem and we take action on that, it can be replaced by another medical opinion.

**Mr. Bisson:** Just on that point, that is part of the problem. I talked about the one particular case where the initial letter basically said there was nothing wrong, the letter we provided after from all the doctors, and a third time. What we were told every time we sent it in was that they had to rely on the initial letter and for the medical review team to do its work. For whatever reason—I don't

know how much plainer it could have been. The letters were very clear: This man should not have had his driver's licence suspended.

I guess I'm asking if we have the capacity at the review level to do what has to be done so they can take a look at the letters and actually read them.

**Mr. D'Onofrio:** I believe we do. I think the case you described is one that is complicated. We can certainly review it and look to see what happened in this particular case. If it went to the medical review board, it means that it was a complex case.

**Mr. Bisson:** How many would go to the medical review board?

**Mr. D'Onofrio:** I don't know.

**Mr. Bisson:** You can provide it later. That's something I would ask you to provide this committee with.

**Hon. Mr. Takhar:** Can I just add something to this? Actually, I had the opportunity myself to visit that section of the ministry. I think there's a tremendous amount of work that goes through the ministry in that section; there's no question about it. But we are reviewing all our procedures in this regard. We depend upon—

**Mr. Bisson:** I'm sorry; I have a bunch of more questions. I don't want to cut you off, Minister, but I have 30 minutes and I have a bunch of specific questions.

**Hon. Mr. Takhar:** OK, go ahead.

**Mr. Bisson:** I do appreciate your interjection, though. I'm not trying to be rude; it's just my time.

What I need is if you can provide us with the number that actually go before the review committee and what the stats are.

**Mr. D'Onofrio:** I have that. For 2004, files reviewed by the medical advisory committee, 3,400; in 2003, 3,500; in 2002, 3,700.

**Mr. Bisson:** OK. Just explain to me so I better understand. If you get about 10,000 that are sent in and about 3,400 go to the medical review committee, the balance, I take it, were not objected to on face value by the people who were reported. What happens to the rest?

**Mr. D'Onofrio:** Those numbers—the 10,500, 10,000 and so forth that we talked about—were actual suspensions, so we receive many more than that.

**Mr. Bisson:** That's what I wanted to know: how many you get. Is that tracked? I misunderstood when you gave it back. I will get back to you, Minister; I didn't mean to be short.

I'll tell you why I'm asking for this specifically. The doctors in our community are complaining, number one, that they're finding this is putting them in an awful spot, and number two, it's quite onerous. Some of them are quite upset about it. I would like to know how many of these actual reports get filed per year. If you can provide that, it would be helpful.

**Mr. D'Onofrio:** We can get that for you.

**Mr. Bisson:** Thank you. I have a memo—we've got so many of these, but I just want to give you one in particular. I might ask the gentleman for permission over the weekend, and I can give you his specific case next week. Here's another one. A guy works for the transit—

he was a bus driver. Basically, he was involved in an accident where he lost part of the vision in his eye, so he wanted to withdraw himself from driving a bus. He said, "Listen, I don't think I can do my job as well as I could. Is there something I can do for the transit?" So the transit authority gave him a job doing maintenance inside the garage.

The guy is a year away from retirement, and all of a sudden the employer decides to play hardball: "You've got to go back and drive a bus." OK, that's fair. So the guy had to go back and requalify for his licence. But in the process of requalifying for the licence, they suspended his licence.

I know a lot of people who only have one eye and still have a driver's licence. In fact, I know some driving instructors who are in that situation. It seems like it's somewhat arbitrary. I'm not sure of the class of licence he needed to drive a bus, but he lost his G as a result of being asked to do a driver's test to get back whatever licence he needed to drive the bus.

So here's this guy, less than a year away from retirement. The only freedom he and his wife have, because they live out in the bush at the lake—you know, the guy is snafued. Luckily for him, his wife drives. If his wife didn't drive, he'd be in deep trouble. The problem is that they say, "Go get an assessment." There are no assessments available in northern Ontario. You've got to go to London. I'm not talking London, England, hopefully; I'm talking London, Ontario. He goes to the assessment. And it's not just one assessment; they make him go back a couple of times.

This whole thing takes a long period of time, with loss of wages by this individual from having to take time off work, expenses as far as travelling and all that, which he may or may not have. My question to you is, what can we do to make sure we have a system that is not seen to be as arbitrary as this one is? Like I say, I know people who drive who have one eye, and yet this guy loses his G because he lost partial vision in one eye. Any comments?

**Mr. D'Onofrio:** It's difficult for me to comment on a specific case because—

**Mr. Bisson:** I will bring the specifics.

**Mr. D'Onofrio:** We need the specifics.

1700

**Mr. Bisson:** But do you understand where I'm going with my general comment? I'm not pointing the finger at anybody in the ministry; I understand people honestly try to do the right thing. That's not my argument. It seems, though, that it's somewhat arbitrary, because we see cases come through the door where one person with the exact same situation gets a suspension, and the next person with the same situation doesn't get the suspension. I find it rather frustrating, and our level of frustration is from our constituency office—and I imagine it's the same for other members if they go check with their staff. When we call the medical review people, whatever they're called, it is pretty difficult sledding. You have to have a staff person who's got a lot of patience, a lot of time and is willing to invest the time necessary to move forward to try to get the person reinstated.

What I guess I would ask the ministry and the minister a little bit later is, you do have an MPPs' help desk there. I don't want to be mean, but we'd like a little bit more help from that particular desk. What can you do to assist members when they're contacted by their constituents to make sure that a case is reviewed and that the information we provide is reviewed fairly? If the minister would like to comment?

**Hon. Mr. Takhar:** Absolutely. The staff is there to help you out. I want to say that on the vision standards, there are certain criteria: either you meet them or you don't, right? It's pretty clear-cut. On the medical side, we are actually working with the medical association right now to review the forms, what they need to report and what they don't need to report, and we will streamline that process.

**Mr. Bisson:** It needs to be streamlined. But on the MPP help desk, specifically on suspension, is there anything that can be done in order to—I don't want to speak against the people who work there, because I know they work hard; this is not pointing fingers at anybody. But it seems that they're overloaded and don't have the time to deal with individual cases as we send them in. I'm just wondering if the minister is prepared to review that and, if necessary, to add staff to that particular function.

**Hon. Mr. Takhar:** I am prepared to review it and see what the workload looks like.

**Mr. Bisson:** OK, that's good. Thank you for that.

Moving on to another issue, I want to bring you to page 62 in your estimates binder. It's a question I just want to understand: airport maintenance. We're obviously talking about remote northern airports in, well, northern Ontario, basically. As I looked at that, it's just kind of strange, the way that's laid out in your estimates.

*Interjection.*

**Mr. Bisson:** No, it shouldn't be federal. The federal government can't do anything right. Don't get me going with the James Bay. Oh, man. I've got E. coli in water up in northern Ontario in Kashechewan, and the federal government's response is, "You can bathe your babies in the water." Don't get me going on the federal government.

OK. Estimates, page—my eyes have seen the glory—62. Here we go: Is the overall budget \$3 million for the maintenance of those airports? I was a little bit unsure as I was looking at the numbers down the page a ways, where it says "First Nations" in that table. Is that the money that's attributed to the maintenance of those airports? On page 62, about 80% of the way down that column, you'll see "First Nations," just underneath "Transition Fund."

*Interjection.*

**Mr. Bisson:** I couldn't find your actual maintenance budget in here. Is that capital?

**Hon. Mr. Takhar:** This one is the capital.

**Mr. Bisson:** Yes, it would help if I had my glasses. That is capital. That's why it didn't make any sense.

What's the operational budget? I couldn't find it.

**Mr. Rob Fleming:** Sir, that's for roads; that's not for remote airports.



**Mr. Bisson:** But MTO pays—I fly into those airports with my own airplanes, and you guys maintain those airports.

**Mr. Fleming:** Yes.

**Mr. Bisson:** What do we spend per year? I didn't see it in the estimates binder. That's why I was wondering. Where would I find it?

**Mr. O'Toole:** Page 58.

**Mr. Bisson:** Page 58, you're saying, John?

**Mr. Fleming:** The operating, sir, is \$5.5 million.

**Mr. Bisson:** And that's on page 58, I'm told? What page do I find that on? Because I couldn't find it in the binder, and I'm just a little bit curious.

While you're looking for that, Minister, have you had any requests from any of the band councils, primarily where these airports are, where the First Nations have asked for a greater role in the decision-making around those airports? Has anybody contacted you?

**Hon. Mr. Takhar:** I am actually not aware of this.

**Mr. Bisson:** No? ADM? DM? Anybody? No? Who's responsible for the airports?

*Interjection.*

**Mr. Bisson:** Get over here and introduce yourself. Sorry. I'm going to move quickly through this stuff. I don't mean to be disrespectful.

**The Chair:** Please, if we could just tone down the pace a little bit. You've asked a series of about eight or nine questions. Staff are scrambling to assemble it.

**Mr. Bisson:** They're looking for a number.

**The Chair:** No, I'm talking at the moment, Mr. Bisson. I'll make sure you get your full 30 minutes, but I've never seen this sort of pace. So I'd like to just suggest that if we need a little more time, we'll take more time. If you could leave the questions under advisement and allow them to respond.

The gentleman who's in front of us, if you could please identify yourself and respond, and, where possible, if you're referencing a page in the estimates, that is helpful for the Hansard record. Please proceed.

**Mr. Carl Hennum:** I'm Carl Hennum, ADM of operations. I wonder if you could repeat the question.

**Mr. Bisson:** My question was, a couple of First Nations have approached me about this anecdotally, and I haven't had anything official given to me, but apparently there's a bit of a move afoot on the part of some of the First Nations band councils to ask the ministry for a greater role in, not the maintenance, but the decision of how we run those airports. Has anybody contacted you guys?

**Mr. Hennum:** The answer generally is no, but they have ongoing dialogue with the local First Nations. Quite frankly, they have quite a bit of participation in deciding what takes place at the airports. As you know, we employ people from the First Nation reserves as well.

**Mr. Bisson:** I was just wondering, because people have mentioned that to me a couple of times.

Now that the ministry has had a chance to look at it, do we have the page where I can find where the \$5.6 million comes from? Did we find that?

**Hon. Mr. Takhar:** Can we get back to you on that?

**Mr. Bisson:** Yes, that would be fine.

Again, on airport facilities in those remote communities—I don't want to put the ministry on the spot, but if I asked people who have been to those remote airports to put up their hands, it would probably be me and you. You've been to Cat Lake. You've been to a whole bunch of them. Those buildings are in—

**Mr. Hennum:** Fort Hope.

**Mr. Bisson:** Fort Hope is in terrible shape.

Minister, just one of the things that I see first-hand and that people are complaining about is that the condition of many, I guess you can call them "terminals"—but they're really not terminals; they're buildings that people basically wait in when the plane is coming in or going out—are in pretty desperate shape. I'm wondering, does the ministry have a capital plan in order to replace or repair some of these particular buildings? Is that available?

**Mr. Hennum:** We do have a capital budget for the airports.

**Mr. Bisson:** Yes, I know a capital budget, but I meant a capital plan about which ones we're going to fix when and all that stuff.

**Mr. Hennum:** These are operating decisions that are made as required. Those decisions are made as the airports require repair and maintenance.

**Mr. Bisson:** I give you credit and commend you for the maintenance of the runways, because I land on them; they're pretty good. However, the building facilities are in pretty sad shape. I think you can agree, if you go into most of these communities, I can think of a few of them that are probably acceptable for use anywhere else, but for a large percentage of them—I would argue upwards of 50% to 60% of them—we wouldn't dare put that in a community south of Highway 11. Quite frankly, we'd be looking pretty bad. So what I'm asking is, is there a capital plan, and if so, can I get a copy of the capital plan for the ongoing maintenance and reconstruction of the terminal buildings in those communities?

**Mr. Hennum:** Maybe we can supply that.

**Mr. Bisson:** OK. If I can have that for next week, that would be very helpful.

Minister, just by way of invitation, if you ever want to take the time—and I know you're a very busy man—it would be really instructional to come and visit some of these facilities, because, quite frankly, the infrastructure is pretty weak.

*Interjection.*

**Mr. Bisson:** I can fly you up in my own plane.

*Interjection.*

**Mr. Bisson:** I'm very safe. I'm licensed by the federal government. I can fly.

I can't remember if it's—I think it's Big Trout. Is it Big Trout? Anyway, some of them are in pretty bad shape, to the point that the doors don't even work to get in and out. Here you are as a passenger, either you're a government official coming in on business or whomever, and you land in a community that's 30 to 40 below zero and there's nowhere to go and you're standing outside in



the elements. That flight, when you get off the skid, takes off and goes off to the next community and you're standing at the airport with nowhere to go at 40 below zero. It is not a very pleasant experience. Anyway, we'll come back to that next week.

The other thing I want to find out is on the capital budget. I need a little bit of help here because—it's my fault—I didn't bring my glasses and I'm having a bit of a problem seeing the numbers. I noticed in two different places in the estimates that capital is reported a little bit differently. In one place I saw it at \$500 million and in the other place, \$800 million. I'm sure I'm reading this wrong. Can somebody explain to me, what is the overall capital budget for the year for the maintenance of highways? And tell me what page, if you could, please.

1710

**Mr. Fleming:** I'm on page 57.

**Mr. Bisson:** All right. Thank you.

**Mr. Fleming:** There are a number of figures that are reported because of the accrual accounting for infrastructure. The total spending on highways for the ministry, including northern highways, is just over \$1 billion—\$1.031 billion.

**Mr. Bisson:** Does it include operation?

**Mr. Fleming:** No, that's just capital.

**Mr. Bisson:** So we're talking about repairing potholes to building new highways.

**Mr. Fleming:** Correct.

**Mr. Bisson:** So it's about \$1 billion.

**Mr. Fleming:** However, because of accrual accounting, we amortize spending, and not all of it is voted at the same time. Amortization is a statutory appropriation.

**Mr. Bisson:** I wasn't aware of that. Maybe you could explain that a little bit. You're saying that if the ministry goes out and builds a brand new highway—obviously it wouldn't be paid for in one year because there's more than one year of construction—you amortize the cost?

**Mr. Fleming:** That's right. We amortize the cost. Depending on the type of asset, it could be 40 years—60 years, I think, for bridges. The amortization is the payment for past investments, and that's the conception in this particular year.

**Mr. Bisson:** That explains why we see the two figures.

**Mr. Fleming:** That's right.

**Mr. Bisson:** So the actual capital spent this year, less amortization of previous projects, is how much?

**Mr. Fleming:** Pardon me? Could you repeat the question?

**Mr. Bisson:** Sorry about that. Maybe I'm not explaining it right: the total capital dollars spent this year for ongoing repair and new construction, less what we're paying for construction from periods before. I don't know if I explained that right.

**Mr. Fleming:** I'd just like to check my figure.

**Mr. Bisson:** Thank you.

**Mr. Fleming:** It's \$597 million.

**Mr. Bisson:** So we spent \$597 million for that last year.

**Mr. Fleming:** The \$597 million is the net investment after amortization.

**Hon. Mr. Takhar:** Can I just interject something?

**Mr. Bisson:** Please, Minister.

**Hon. Mr. Takhar:** The total capital that we spent was \$1.13 billion. If you look at the budget book, it is on page 76. That is where you will find it.

**Mr. Bisson:** Oh. I don't have that with me.

I guess what I'm trying to figure out—and I think I got an answer, but I just want to be clear. If we're saying our total is \$1.13 billion that we spend at MTO for total capital costs including amortization, what we're spending for new construction this year is \$597 million. Am I correct?

**Mr. Fleming:** Not quite.

**Mr. Bisson:** Help me out.

**Mr. Fleming:** That's the change in what we would call the net book value of the asset.

**Mr. Bisson:** Can you explain that a bit?

**Mr. Fleming:** Yes, it's—

**Mr. Bisson:** I think you've got a colleague trying to help here.

**Mr. Fleming:** I'll defer to my director of finance.

**Mr. Bisson:** That's OK. I don't pretend to know all the answers. I just know all the questions.

**Mr. Steve Naylor:** I'm Steve Naylor, chief accountant for the ministry. In 2002-03, we moved from the cash basis of accounting, where when we spent a dollar it was recorded as an expenditure, to the amortization of assets over time. On page 76, you'll see \$1.131 billion in the budget book. In there, you'll see that it's \$1.131 billion; I believe it's on the left-hand side.

**Mr. Bisson:** I see it there, yes.

**Mr. Naylor:** Then you'll see that the previous investments by the Ministry of Transportation over the last 20, 30 years are amortized based on the expected life of the asset. This is in accordance with Public Sector Accounting Board rules. We're in complete compliance with those and they've been approved by the Auditor General. He's actually audited the investment amount, as well as the amortization amount, and concurs that they are correct. You can see that on our planned expenditures. If the highway construction goes the way it's supposed to, we would hit approximately \$1.131 billion. The amortization on past investments and this year's investments would represent, I believe, \$534 million.

**Mr. Bisson:** That's what it was, yes.

**Mr. Naylor:** Then, as my colleague was referring to, the increased investment that we have in the highway network is approximately \$600 million.

**Mr. Bisson:** OK. So I did understand it correctly. Looking at the budget book, the number in brackets, \$534 million, is the amortized amount?

**Mr. Naylor:** When you look at our capital expense line, that's the bulk of those expenditures.

**Mr. Bisson:** And the \$597 million is new money. It's new construction.

**Mr. Naylor:** No, \$1.131 billion is the actual new.

**Mr. Bisson:** OK.

**Hon. Mr. Takhar:** New total investment is \$1.13 billion a year. The depreciation on old investment is about \$534 million a year. When you net the two out, the assets go up by about \$597 million, but the new cash that is being invested every year is around \$1.1 billion.

**Mr. Bisson:** Now I'm more confused than I was when I started. The \$1.13 billion includes the money that we have to pay for the amortized cost of construction from the previous years.

**Hon. Mr. Takhar:** No, forget about that for the time being.

**Mr. Bisson:** OK.

**Hon. Mr. Takhar:** Because that is in the assets; right? Whenever you spend some money—it's like buying a chair. You spend \$400 on the chair and you put it into the assets. So your assets go up by \$400. Every year then, over the life of the chair, you will take a certain portion of that and depreciate it; right? But every year you can buy another chair at \$400 and put it into the assets. What we are doing is putting \$1.1 billion into the assets every year, but then the old assets we are depreciating by \$534 million. The cash impact on capital is around \$1.1 billion a year.

Let me just give you—

**Mr. Bisson:** OK, please.

**Hon. Mr. Takhar:** We are spending about \$582 million on highway construction a year: \$300 million roughly on highway construction; engineering and property acquisition—

**Mr. Bisson:** Where's that? Is that in the estimates book?

**Hon. Mr. Takhar:** You might not have that.

**Mr. Bisson:** Can I get a copy of that?

**Hon. Mr. Takhar:** Yes, we can give you that.

**Mr. Bisson:** Thank you.

**Hon. Mr. Takhar:** Then \$237 million on engineering and property acquisition; and then we are spending some money on the Windsor-Detroit gateway improvements.

**Mr. Bisson:** OK. What I would appreciate, if I can get it, is—because when we move the type of accounting, it gets a little bit difficult to track what was on before. What I'm looking for is if you can provide us with how many dollars we're spending in new construction—I don't know how else to put it; if you're paying mortgages and stuff, that's another thing—for highways, bridges, all of that stuff for this year, and let's say the previous five years.

**Hon. Mr. Takhar:** Over the last five or six years, the average investment has been about \$1 billion into new construction or refurbishing the old highways.

**Mr. Bisson:** Yes. I think your assistant—I don't know the name—got what I wanted. So if we can get that, that would be very helpful.

**The Chair:** Two minutes, Mr Bisson.

**Mr. Bisson:** Two minutes left? A two-minute question; that's an interesting one.

A very quick question, again on the estimates book, and maybe I want to keep the accountant here because—oh, I'm sorry. Did you want to go?

I promise to bring my glasses next week. There's a whole bunch of entries in the estimates binder. It's like an arbitrary number and I'm just going to bring it to you—page 61, provincial highway management. If I'm reading that correctly, the actual is \$1 million for that.

**Hon. Mr. Takhar:** Page 61.

**Interjection:** No, it's \$1,000.

**Mr. Bisson:** OK, I do need glasses. Can you explain to me what that is all about? I was a little bit confused when I looked at it and I didn't know if my eyes were playing tricks on me. What's \$1,000—

**Hon. Mr. Takhar:** It's basically to keep the account open in case you ever need it.

**Mr. Bisson:** That's why there are a number of these accounts that show \$1,000 on the vote.

**Hon. Mr. Takhar:** That's right.

**Mr. Bisson:** These are areas where we're not spending money now, but we want to leave the accounts open. For example, there's a whole bunch of them there—land, highway transfers and a whole bunch of other things. I think there were some safety initiatives etc.

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**The Chair:** Did you just answer your question?

**Mr. Bisson:** He just answered it for me.

**The Chair:** That's what I thought. Thank you very much, Mr. Bisson.

**Mr. Bisson:** I can do a question, and I can do an answer.

**The Chair:** You're doing great.

Minister, it is now customary to give you upwards of 30 minutes or less for you to respond to any of the comments or concerns that were raised by the official opposition and the third party. You can advise us when you are ready and we will then begin a rotation for regular questions.

**Hon. Mr. Takhar:** Let me just thank broadly my critics, both from the opposition party and the third party, for some very good remarks that they made. Let me just get to the questions.

The first question that the member from Durham raised was about Bill 169. The first question was about taxi scooping, and I want to address that again. I want to be very clear here: There are three goals that we are trying to achieve with regard to illegal taxis, or what we call scooping: The first is we want to protect consumers from illegal operators; the second is we want to ensure safety for the taxi industry and the limo industry; and the third is we also want to make sure there is viability of the taxi industry in this area. Our goal is this: very simply, to stop those who provide taxi services without a legal licence by strengthening the enforcement tools. Anybody who does not have a licence to operate in certain areas we want stopped. I think that is only fair because we don't want to put the lives of people at risk.

This scooping bill actually makes life easier for everyone because it will make scooping illegal at the Toronto airport and it will make scooping illegal in Toronto. People will not be able to pick up passengers from hotels if they don't have a licence to do it. Not only will people



who pick up passengers get charged, but the people who actually arrange it will get charged as well; so it should make things better. It is absolutely essential that we stop this scooping. It is a major issue in the Niagara region right now and it's a major issue in the Ottawa region. What I really want to say to you is this: Scooping is a problem province-wide. We cannot have unlicensed drivers picking up passengers when we have licensed drivers who operate in that region.

That's what we are trying to do. It does not make anything unfavourable for anyone. It does not mean what people have led you to believe. In fact, this makes life easier and better for them. I think we need to stand up against unlicensed taxi drivers. We need to protect our visitors to this province. We need to protect people who earn a living by working hard. This bill essentially does that. I hope you can spend some time with us to go over this, and that you support this bill at the end of the day.

The other issue that you raised was about driving schools. I want to say to you that in the proposed legislation, in fact, the intent here is to strengthen our oversight of driving schools. We want to do that by having clearly enforceable standards, a formal sanctioning process to deal with non-compliant schools, and we want to provide tools to the ministry to enable effective auditing of participating schools. We have recently improved the auditing of ministry-approved course providers to help ensure that all ministry standards are met and that students receive the best driver education. This includes a program of both targeted and random auditing.

Currently, just for your information, there are about 460 ministry-approved commercial beginner driver education courses provided in Ontario, and over 200 high schools deliver the ministry-approved course. So for anybody who provides a good driving school, if they have a good program going, they don't need to worry about this legislation. But the people who are not providing good programs, and the customer service isn't there and the good program isn't there—that's who should worry a little bit about it. That's what we are trying to change. A good driving school provides good driver education, and that is essential for safety on the highways. That's what we're trying to do.

The other issue you raised is that we don't have public meetings regarding sound barriers. I will be more than pleased to discuss that with the ministry and see what we can do or not do on that.

I want to talk to you a little bit about the 407 east expansion. The 407 east expansion, as you indicated, is very critical, and that's exactly why we in the ministry are putting a lot of effort behind it. This government is proceeding, as you know, with the 407 east environmental assessment process. The Minister of the Environment has approved the terms of reference already, and we are going full ahead with the public consultations. We feel that this issue needs to be addressed. You have some issues about the property acquisition, and we will look at that. But my feeling is, the environmental assessment process will determine the route, exactly where this

highway should go, and we shouldn't be interfering in that process. It should be an independent process, and it should address that.

I'm very much aware of your gridlock meeting and what issues were being raised there, and the suggestion you made about the smart card initiative for the Durham region and that we should get them involved. I wholeheartedly agree with that, by the way. We will take that up with them. I think there were some delays involved in that process because they were integrating public transit in the Durham region, but we will work very closely with them.

The issue you raised about the taxable benefit, actually, is an issue for the Minister of Finance. I would encourage you to raise it with him, and I will raise that with him as well.

You said something about Hazel. I tell you, I couldn't forget about Hazel. I have to consider that whenever I do anything.

I just want to say a little bit more about beginner driver education. The MTO has already started to clean up the driving school industry, and we will continue to do that.

Mr. Garfield Dunlop raised some issues about Highway 12 and Highway 26, if I'm not wrong. Highway 12: Design work is underway to address the immediate bridge rehabilitation needs for this section of Highway 12.

MTO has several other highway improvement projects in design and/or construction on Highway 7/11 through Durham region: the \$6-million highway rehabilitation under construction from Columbus road to Highway 7A; the \$7-million highway rehabilitation and improvement under construction from Brock 2nd Line North to the junction of Highway 7; and \$1 million for the Columbus line road signalization at the Highway 7 intersection. The plan will be refined every year as we complete the current years of one-year projects, and add five-year new projects, but we are aware of what needs to be done for Highway 12.

On Highway 26: When will the Highway 26 bypass be built? Let me just say that we understand that improving Highway 26 is important to the Simcoe area; there's no question. We have steadily progressed with engineering and planning work for improvements to this highway as well. Completing the design for the new alignment of Highway 26 between Collingwood and Wasaga Beach is being done. We have completed negotiations with the final property owners to acquire land required for this project. The next phase will require Department of Fisheries and Oceans approvals for some water-crossings prior to construction proceeding on this project. As a result of the consultations required by the Department of Fisheries and Oceans, this may require several more months.

This government has created, as you are aware, a five-year, \$30-billion infrastructure investment plan, which we call ReNew Ontario. This plan will be updated annually, allowing new projects to be added. Projects like the Highway 26 bypass between Collingwood and Wasaga



Beach will be assessed yearly to see what needs to be done and how far we are on that project.

There were some suggestions made about creating bike lanes and/or running lanes. I think those are good suggestions, but I just want to say to you that some of those projects have actually already been undertaken; it's not a new idea. Wherever the demand warrants, we are prepared to look at some of those projects.

Some of the other issues that were raised by the critic from the NDP: I think he raised some issues with regard to the medical assessments by the doctors. As I said before, we are looking at the process and trying to revamp it so that we know exactly what the doctors need to report and how frequently they need to report so that the process becomes a little bit clearer for the doctors and also for the ministry. Some of these recommendations also came from the coroner's inquest.

1730

The vision standard, in my mind, is very clear. There are clear-cut standards for vision: either you have it or not. I understand some of the problems it might create for the people who are very close to retirement, but if the standards are not met, it's very hard for the ministry to waive any of those standards.

I hear his concern with regard to the airport issues as well, and we will be more than pleased to provide any information that he requested.

At the end, I do want to say to you that we are concerned about gridlock, especially in the GTA. Actually, that's why we are investing \$1.2 billion in the highways and making an \$800-million-plus investment in public transit. We want to create a public transit culture in this province, and we are proceeding with initiatives like HOV lanes and all that to address some of those issues. One of the questions that was asked was, why only two people in the HOV lanes? Why not four? We have to start somewhere; we need to create a culture. We can always move up, but we need to encourage people to start carpooling, we need to encourage them to start taking HOV lanes so that some of the gridlock can be addressed. But just creating lanes sometimes doesn't help, so we're going to have good enforcement rules to go along with it. But we will see what our experience is, and as we move forward, we will address that.

I will be more than pleased to take any other questions that the members may have.

**The Chair:** Thank you very much, Minister. As I understand it, there are a couple of items that you will submit some additional information on, and I appreciate that staff has been making notes about that.

I'll round that to a half an hour. I think we'll do 10-minute rotations to take us to the top of the hour. I'll begin with Mr. O'Toole.

**Mr. O'Toole:** Thank you, Minister. It is beneficial to have a dialogue. I'm not completely convinced, as I understand it, that the scooping solution, as you're interpreting it, is solved. This is primarily a Toronto problem. I don't think it particularly applies in the GTA, but there may be some evidence in the Hamilton area. I do believe

that allowing the limousines to pick up downtown and drop off at the Yorkdale Shopping Centre is basically taking work away from hard-working taxi drivers, who are under a lot of pressure; there's no other way to describe it. I think David Miller is prepared to deal with this.

You are clever. What you do is you deal with it under the Municipal Act. I think you could win there. You may end up with them having to proclaim your section, but I would encourage you to respect that opportunity under the Municipal Act, because they're going to be wanting more money. These licences in Toronto are worth a fortune on the black market. There is a long discussion. I would be happy to go off-line to be educated on it, as well as to make sure I understand it.

The second issue, in the limited time I have, is the driving school issue. I would say to you that even there, I'm not sure that the Ministry of Transportation, as complimentary as I can be, should be in the business section of that. You can find a way of getting additional revenue—I understand that—but third party enforcement? Why don't you let them become self-regulatory, as they were? I'll say this on the record as well: It's my impression, even when we were government, that there was way too much of a relationship between the Ontario Safety League and former or current members of the ministry staff. I say that on the record. I don't mean to say that in any disparaging way.

The curriculum needs to be totally updated, absolutely, without question. It doesn't even deal with technology. That should be a given to the industry. I can cite for you the presentations made to the committee hearings by one Mr. Lewis as well as Svensson. I would encourage you to deal with the organization, whatever the bad feelings and all this stuff. I could read a whole tirade to you on that file.

Good move on toasting the Safety League. This professional person actually referred to that issue—I'm just looking here—Mr. Bob Lewis. He's a former Ontario secondary school teacher, and the Liberals are very friendly with the teachers' groups. This may be one more peace offering here, if you will. He said, "My concern, again, with this bill is: no consultation." It's ministry-driven. You should set the standards and let them enforce it. Get out of the business of being in business. You can still get your \$4.25 a certificate.

I'll be bringing this up with the auditor, not in any threatening or intimidating way. Why are you in the business? You should set standards that protect the young drivers and the parents in Ontario. There are reports, as you know, without being critical here, that say that those who take the course have a higher accident rate. This was done by an independent audit under the watch of the Safety League, so that's another concern.

On the medical reinstatement issue, in some respects I agree with Mr. Bisson. It is a huge issue in areas that don't have public transit. There are fewer drivers, so when you've got this intake person/case manager/blah blah blah—some of the people are finished. If they live north of Port Perry, and the husband has a heart attack,

they're finished. Now you say to that, "Those are the rules." No, no; it doesn't work like that. We're looking at administrative changes, not lowering standards, like the EQAO. We're looking at the needs of the person who pays our salaries: the constituent.

In many cases, retired people don't live close to the GO train or the TTC, nor do they have a condo. They're just surviving. It may bring tears to some of your staff. I see them grimacing here. They need to understand that I have currently with you a man who has had a heart attack and has recovered. The doctor said it's OK. His wife is now a stroke victim in the hospital. I'm not just trying to make you change the rules; I'm saying, "Re-examine the priorities." This family is suffering unnecessary delays. I think they had to have a \$460 test to prove that they weren't—now they're going to get a retest so they can get a day permit. That's another 460 bucks. These people are living on less than you'd spend on coffee in a month. It's tragic. That's the point that Gilles is trying to make. They're living in Attawapiskat; nobody has a transit pass there.

All this is is a suggestion to review, and you've committed to do that. Don't do it because I said so. Those that aren't serviced—if you have an alternative, take the smart way, the TTC; fine. Their needs are somewhat different; they have an alternative. They're living in a less-than-satisfactory condition.

I have a question on the other part here too. For Highway 407, I recognize and appreciate that the EA process should not be interfered with. I have a couple of questions on the order paper on that, and they'll be on the order paper from now until I'm removed as critic. The connecting link is a huge deal. I hope the Lakeridge connection is resolved, because you're underway now in improving the Lakeridge interchange on the 401. I hope you're not spending a lot of money without thinking that it's eventually going to be the same exit to the 407, otherwise it's a waste of taxpayers' money. That's supported by the regional chair and most of the people who know the area. I'd ask Mr. Arthurs to support it. It's a common connector road.

The 407 link that goes up north of Taunton or somewhere like that is a whole different deal. We don't want two exits taking up commercial highway frontage because one is a billable road and the other isn't. Get over it. You can find a way. You've got some smart people working there. Fix it.

The other link that I'm concerned about is very important to have resolved, otherwise you're going to end up in the middle of a farm field. There is no link from there until Courtice. Oshawa is filled in. There is no link. It's going to be servicing Oshawa. You're going to flood the traffic into that area. The growth in Durham and the university is all in that area, in Brooklin and that area; take a look. There will probably be 200,000 people in that area in the next 10 years, and that road probably still won't be built.

1740

I know there's work undergoing. I'm probably on the record as saying that the original link at Courtice—I'm

going to get a two-minute answer here. Hopefully you've cancelled the Hancock link. My understanding is, it is. I think it should be in the Holt Road area. I'm trying to be helpful. There's a highway corridor there. It would make better use of land. If you look at the future, there will be another nuclear station at Darlington sometime—probably in your term. That whole area and the construction activity—Holt Road's the connecting link. It's sort of in that vicinity.

I'm trying to be helpful here. I may not even be here the next term. I would like some responses. Are they looking at the alternative link there in the Courtice area? Some of your people on 407—it's your major project.

**The Chair:** That's a request for an answer?

**Mr. O'Toole:** Yes.

**The Chair:** Mr. O'Toole, you have a minute left.

**Mr. O'Toole:** I have a minute left? How many rounds are we going to get? I've got a series of—

**The Chair:** Today? You've had it.

**Mr. O'Toole:** Yes, I've had it today, but there is tomorrow's, isn't there?

**The Chair:** No. We meet Tuesdays and Wednesdays only.

**Mr. O'Toole:** I'll just give you a forewarning. In the public accounts, there are several outstanding questions. If we don't get them, I'll submit them in writing. They're straightforward responses to the auditor's report.

On the 407, could I get maybe an update? Probably the most important thing—I'll circulate the Hansard response to the Durham region and to the councillors, because that's kind of my job, to work with them, as it is yours.

**The Chair:** I'm afraid we will take that under advisement. I have to recognize Mr. Bisson, and then I will be recognizing Mr. Zimmer for 10 minutes.

**Mr. Bisson:** Two questions—well, I've got a bunch of questions—but specific to Highway 407: What's the status currently with your struggle to try to get the toll situation under control? Where's that at, Minister?

**Hon. Mr. Takhar:** We are still negotiating with them. We have not been able to come to any terms yet, but we are still negotiating with them.

**Mr. Bisson:** Are you still pursuing the court aspect?

**Hon. Mr. Takhar:** We are pursuing the court aspect as well, yes.

**Mr. Bisson:** A specific question: Can we get how much money we spent over the last two years legal-wise for that?

**Hon. Mr. Takhar:** We don't have those numbers yet, but we will be able to get them to you when we have those exact numbers.

**The Chair:** Minister, if this is over a two-year period, you would have last year's actuals, which the committee's requesting, and you would have this year's budgeted.

**Hon. Mr. Takhar:** But this is information that's also solicited as my privilege.

**Mr. Bisson:** I'm not asking for—



**The Chair:** What he's asking is not for the specifics; he's asking for the quantum of what you've been spending, which is within the realm. We don't need to know who the lawyers are; we don't need to know the contracts under which you've contracted with them; we need to know the quantum in which you were spending.

**Hon. Mr. Takhar:** OK. We'll take that under advisement.

**The Chair:** Thank you very much.

**Mr. Bisson:** Well, I want more than advisement; I want the numbers. One of the things that we do here is go over the estimates, and I want to know specifically how much last year and how much you're budgeting this year for that particular initiative.

The other thing is, you spoke just briefly and said that we're currently negotiating. Is there a status on where you are at negotiations? Are we likely to see any movement?

**Hon. Mr. Takhar:** I basically said to you that we have not been able to reach any agreement yet, but we are constantly in touch with them and we are talking to them. We are in the courts with them. That's all I can tell you.

**Mr. Bisson:** Would it be a question to the Chair? I don't know if I can ask for this, but is it possible to get some kind of a compte rendu—I don't know how you say it in English—

**The Chair:** A summary.

**Mr. Bisson:** —a summary, thank you, of what has been done so far on this particular file?

**The Chair:** My understanding is that once this went into the courts, there are some matters in which the ministry must maintain privacy. I've already suggested—and I know that is within the realm—for them to give the amounts that are being spent, but beyond that, the minister can give an anecdotal update. If you're asking for a summary of events that have occurred up to this point, to the extent that they're able to do that, I'm sure the staff will prepare what they feel they are able to prepare.

**Mr. Bisson:** I'm not asking specifically on the court case; I'm talking about your initiatives in order to try and negotiate with them, is what I'm asking for. If we can get that, that would be helpful.

**Hon. Mr. Takhar:** As the Chair said, this matter is before the court. I can only give you the information that I gave you. There's nothing more that I will be able to provide you with.

**Mr. Bisson:** I'd just ask you this, then: Are you planning any blitz or added pressure or anything to try to get some relief for these commuters on the toll issue?

**Hon. Mr. Takhar:** We like to work with the 407 people, but we are also going to proceed with the legal issues on that front and see where that leads us.

**Mr. Bisson:** A question to either the minister or the deputy minister: How many winter road maintenance contracts do we have out, specifically by region? I've lost count of where we're at.

**Hon. Mr. Takhar:** My understanding was 16.

**Mr. D'Onofrio:** I can tell you that it's exactly the same as last year's bundle, so we can get you the exact numbers.

**Mr. Bisson:** OK. Is it possible to get the historical numbers per region per contract, how much we spend every year? Can we get that?

**Mr. D'Onofrio:** We'll look at that. I think we can do it.

**Mr. Bisson:** I think you may have the answer. No? I just saw somebody come to the front here.

What I'm looking for specifically is, per contract, how much we are spending this year versus last year and whatever other years those contracts were in place.

**Hon. Mr. Takhar:** We will get that information.

**Mr. Bisson:** Thank you. That's very helpful.

Just by way of anecdotal evidence, and I don't expect you to respond to this, there really is a growing sense up in my part of the world that there are more and more occasions where people are not taking the highway in the winter because of the feeling that road maintenance is actually deteriorating. That brings me now to a specific question, which is, currently—at least last year—we had what I call winter road maintenance patrols. I'm not sure if I'm using the term correctly. It's the people who go out, look at the highway and then call back to dispatch, "We need a plow. We need a sander." What do you call those guys again? Patrolmen or winter road patrol guys? I forget the term.

**Mr. Hennum:** We call them maintenance coordinators and maintenance technicians.

**Mr. Bisson:** Those are the people who drive in the truck and basically say, "More snowplows, more sand." Is there a move afoot to privatize that? I heard some rumours that apparently there's going to be a move to privatize those people who do that service.

**Hon. Mr. Takhar:** Nothing that I'm aware of.

**Mr. Bisson:** Nothing along that line. Very good. So we can expect those people will still be paid employees, although seasonal, of the Ministry of Transportation this winter.

**Mr. Hennum:** Yes, that's right.

**Mr. Bisson:** And the plan is to continue in that direction?

**Hon. Mr. Takhar:** We constantly review what our structures should look like.

**Mr. Bisson:** But at this point, there's no plan; right?

**Hon. Mr. Takhar:** There's no plan at this point.

**Mr. Bisson:** That's what I was asking.

The other thing is in regard to—I don't have enough time for that, so we won't go there.

The other thing is, and I'm going back to capital here, the ministry used to have—at least, as I remember—a capital plan of where they were going to spend money. I remember looking at them. They'd show all the various recommendations by your people about what sections of highway need resurfacing, need to be redone, passing lanes, all that kind of stuff. Do you still have that process or whatever you call it? Sort of the capital maintenance plan or whatever it was called.



**Hon. Mr. Takhar:** I will let the ADM answer that.

**Mr. Hennum:** I think you're referring to the construction book that we used, a sort of current-year picture of what we intended to undertake. Those disappeared in the late 1980s or so.

**Mr. Bisson:** So they don't exist any more.

**Mr. Hennum:** But, as the minister will probably talk about, we have a strategic investment plan for northern Ontario highways.

**Mr. Bisson:** And the same for the south.

**Mr. Hennum:** Similar things are being worked out for the south.

**Mr. Bisson:** How much time do I have, Chair?

**The Chair:** A minute.

**Mr. Bisson:** I don't quite understand now. You don't have those books that I used to see once upon a time, highway by highway, in five years, six years and 10 years. You have a different methodology now. Is it possible we can get those? I don't know what you call them.

**The Chair:** I want to make sure we understand your question. You're asking for a multi-year schedule that used to exist—

**Mr. Bisson:** No, no, what replaced it; what they're currently using.

**The Chair:** Let them answer the question and then, when they answer it, we'll determine if it's in a form that we can request.

**Mr. Bisson:** You're so helpful, Chair.

**The Chair:** I'm trying. Please, Minister.

**Mr. Hennum:** First of all, the minister very recently issued a strategic plan for northern Ontario, as you know, and that has a five-year perspective. It details in the first year, and broader details certainly in subsequent years in that five-year period. That plan will be updated every year and rolled over and will be accessible for you.

In the south, we are trying to do the same thing. There's a little more work involved and more complex projects to put together, but we are working on that. I can't give you a date by which we will have one, but I hope, for our own sake as well as for yours, that they will be available shortly.

1750

**Mr. Bisson:** So one exists for the north and the south one is not completed, right? Can we get the one for the north?

**Hon. Mr. Takhar:** Yes. If it exists, we will give it to you.

**Mr. Bisson:** Thank you, Minister; that was very helpful. It exists, as I understand it.

**The Chair:** You still have a minute.

**Mr. Bisson:** Oh, I thought I ran out of time.

**The Chair:** No. You shortened up your question. It's amazing how much time you gained.

**Mr. Bisson:** I'm trying to help you out, Chair. I'm just being very helpful today. I've got some other stuff that I want to go through that's going to take more time than a minute so I'll pass on.

**The Chair:** Thank you very much, Mr. Bisson. I would like to recognize Mr. Arthurs.

**Mr. Wayne Arthurs (Pickering-Ajax-Uxbridge):**

Thank you, Mr. Chairman. We look forward on this side to asking some questions of the minister. I'm going to take an opportunity to first just comment on some initiatives and hopefully the minister will see fit to pick and choose from amongst these to comment on today. We look forward, in the balance of the time available, to ask some things that will be a little more specific as well.

I do want to comment on the gas tax. I believe that as of this October we are into 1.5 cents per litre for municipalities. I know that's been well received. When it was launched a year ago, the minister was kind enough to come into my riding as part of that announcement scenario.

I know that whole process started some number of years ago. I sat on a committee as a mayor back in 1991 under the then NDP government that launched an integrated transit strategy. Lou Parsons, who was GO Transit chair, chaired that process. We talked about a dedicated gas tax at that point in time, but it was to be an add-on. It was the breaking point to existing tax structures and there was no way that the municipalities were then going to endorse an additional tax load on the gas, so it never managed to come to fruition. I'm very pleased that it's happened, and I look forward to the minister's comments on the success that he has had in that regard as it moves forward into the next phase.

I'd be interested in his observations on an ongoing basis on what I can only refer to as the 407 boondoggle. I would have hoped that my great-grandchildren might have been able to drive on that highway for free. When they did the Burlington bridge, I think it was about 30 years ago—I'm not sure; I was pretty young then—but I recall driving over it and my dad slowing down and putting a dime or a quarter in. Once it was paid for, we got to drive on it. My great-grandchildren will never see that opportunity. Members of the media have written about what has occurred in that regard. I appreciate the minister's efforts to bring some reason and rational sense to that process, in spite of the decisions of the court. I certainly welcome his comments and observations, after having had two years as the minister, in respect to what we might expect in the future, those of us who can afford to drive on the 407 on the most infrequent of occasions.

It sure would be nice to see more trucks on the 407, because you sure can't drive on the 401 any more, because they are eating up all the possible capacity through it. If there are four lanes, they've got all three. If there are three lanes, they have at least two out of three for trucking, day and night.

As we move along, I will be keen on hearing some comments on the success you've had with the booster seats. I know my grandchildren are benefiting from that in particular at this point in time.

The Viva York region initiative that has been launched: I hope that the ongoing discussions will be modestly parochial; I'll try to avoid it to the extent that I

can. I know my friend from across the way Mr. O'Toole spent considerable time on what might be considered a more parochial agenda, but having said that, I'm anxious that Durham region will approach the government in respect to its integration of its transit and expanded transit systems and look for some assistance in doing that, to make it the kind of success that York region is hoping to have.

The recent GO announcement for young people as it reflects in Durham: Frankly, one of the routes terminates in my municipality, the Pickering GO station, and it is being well received. I don't know what the numbers look like at this point, but you may, during the course of the seven and a half-plus hours, have a chance to comment on that as well.

The bus yield right-of-way: I know there was a moratorium initially, a launching before enforcement started. I can't recall what the enforcement date was; I think it's up and running now. But I think people are responding well to that yield provision for buses, which at least is allowing buses to move more quickly.

I know you have a keen and particular interest in HOV lanes. I know some of 400 series highways are being proposed for that. We'd again like to hear additional comments with respect to that initiative, and any comment on whether it should be two or more persons per vehicle and what opportunities there may be to maximize the opportunities for HOV lanes in that regard.

We're certainly not without initiatives that you have been a party to, Minister, and other activities that are ongoing as part of your ministry. Those are a few I've had the chance to observe during the first couple of years, each of which has its own legs, and we'd welcome your comments on any or all of those in the few minutes that are available to us this afternoon.

**Hon. Mr. Takhar:** Let me just thank the member for asking those questions and making other comments. The gas tax announcement has gone very well in the province. We gave \$156 million last year, we're going to give roughly \$234 million in the full year, and then it will go up to \$312 million. Most of the municipalities have used this money to buy new buses and new roads, new routes and new drivers. Any municipalities I've talked to, whether it's Oshawa, York, Mississauga, Brampton—everywhere—the people have been very happy with that. The gas tax money is making a difference; there's no question about it. I think all the municipalities are very happy.

We have made major strides in promoting transportation culture. We made a \$600-million announcement in Ottawa to promote transit there; Viva has been a success; I think Durham Transit is making great inroads, and I look forward to working with them. Durham will get about \$1.8 million in gas tax money in 2005-06 as well.

The 407 is an issue. Everyone will agree that the 407 contract was not a good one; it was a bad deal. There are 93 years left in this contract, and our government is absolutely committed to making sure we can secure a good deal for the people who take the 407. The toll for

truckers is pretty close to 42 cents per kilometre at this point, so it's very hard for truckers to really take the 407. That's why you sometimes see a lot more trucks on the 401 and on other highways, and that adds to the maintenance cost of our highways as well. Because of these reasons, and also the customer service reasons, we are absolutely committed to pursuing this issue, because it is for 93 years. I don't think your grandkids are ever going to see this highway free, but we need to make sure the deal is fair and equitable, and we will keep fighting for that.

The booster seats came into effect on September 1, 2005. There is tons of evidence out there that they save lives. The announcement has been well received. All safety organizations have supported this announcement. We feel that even if we can save the life of one child, it's worth doing, and that's exactly what we're trying to do.

Let me talk a little bit about the GO Transit announcement. We are putting about \$1 billion into GO Transit—there are three levels of government doing that. Our GO Transit ridership has increased considerably. We were hoping that GO Transit ridership would increase by maybe 4% this year, but it looks like we might have a two percentage point increase over and above the 4%. About 45 million rides are taken on GO Transit.

GO Transit is really the hub of our public transit strategy, and we need to hook up with that. We are opening new stations, creating new parking spaces, adding more service, buying new engines. We are doing anything we can to promote GO Transit service.

GO Transit is almost an essential service in the GTA area at this point in time. If we could add more trains, those would be taken up as well; if we could add more parking spaces, those would be taken up. So GO Transit is doing that, and the same with the TTC. We're making another \$1-billion investment in the TTC as well.

What we're really trying to do here is create a transit culture. That is the only way to address some of the congestion problems in the GTA; there is no other way to do it. Our HOV lanes are part of that strategy; the bus bypass shoulders, which you talked about, are also part of that strategy; the bus yield right-of-way that we talked about is already in operation. Any initiatives we take are making some difference in our gridlock at this point in time. But at the same time, there are a lot more people coming to the GTA, and if we don't take these kinds of initiatives, I think our highways will be way more congested than what we see right now.

**Mr. Arthurs:** I know that our members on this side will have some far more pointed questions for the minister, but given the late hour of the day, I thought it was an opportunity for him to once again reflect on some of the initiatives he's undertaken as a minister.

**The Chair:** I thank you, Mr. Arthurs. I also thank you for your trip down memory lane. I'm going to date myself, but I remember as a small child going over the only bridge across the Hamilton Harbour. In those days there was a partial lift bridge and a partial swing bridge, and I remember the day a ship ran into it and you had to



go all the way through Hamilton to get to Toronto from Niagara. It was impossible. The first three days that the Skyway bridge was open were free, and my uncle took me over it about four times.

This committee stands adjourned until we reconvene next Tuesday, immediately following routine proceedings. Thank you.

*The committee adjourned at 1800.*





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Second Session, 38<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 25 October 2005

# Journal des débats (Hansard)

Mardi 25 octobre 2005

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estimates**

Ministry of Transportation

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## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 25 October 2005

Mardi 25 octobre 2005

*The committee met at 1604 in room 228.*

## MINISTRY OF TRANSPORTATION

**The Chair (Mr. Cameron Jackson):** Good afternoon. I'd like to call the standing committee on estimates to order. We are assembled today with the Ministry of Transportation. We would like to welcome the Honourable Harinder Takhar and his staff.

We have five hours and 25 minutes remaining, and I think we'll start with 15-minute rotations. I will recognize Mr. Bisson to lead off. You just look totally ready.

**Mr. Gilles Bisson (Timmins-James Bay):** I'm always ready.

**The Chair:** I know you are.

**Mr. Bisson:** I've been at this for a while, so I can multi-task as I'm being briefed as we go.

**The Chair:** Minister, if you have responses to previous questions, we have a clerk here who would be more than pleased to accept those from you and circulate them.

I want to thank you and your staff. If you want to respond briefly, that would be fine.

**Hon. Harinder S. Takhar (Minister of Transportation):** I have the report back to the standing committee, so I would like to submit that. I also have the northern Ontario highway study, both English and French copies, for my colleague here.

**The Chair:** Now you're really warming yourself into his heart.

**Hon. Mr. Takhar:** Give him the French copy so he can read it.

**Mr. Bisson:** Seulement pour ça, monsieur le Ministre, on va être très gentil avec vous aujourd'hui.

We don't have translation. That's unfortunate.

Minister, welcome back. We're so glad you're here with us today. I stayed up all weekend just thinking about today.

**Hon. Mr. Takhar:** Me too.

**Mr. Bisson:** I did.

I want to go to Bill 169, Minister, and to see if we can come to some understanding on some of the issues in Bill 169. You have heard my speech and I'm not going to give it here because I don't have enough time. We support much of what you have in that bill; for example, the whole idea of giving firefighters the ability to fundraise that was excluded by the Safe Streets Act. We support that initiative. We think it's a good one. There were some

elements in that bill that came from Mr. Lalonde, things that he has worked on for a long time and that we support. We think they're good ideas.

Studded tires: I know there are some who might be opposed in some of the municipalities in northern Ontario, but generally we support the initiative. We don't think it's a bad one. However, it's a bit of a bitter pill, Minister, and I want to make a deal with you. We will give you fast passage—this is my question—of Bill 169 if you remove those sections of the bill that deal with the taxi and limousine situation. Then we could go back to committee and try to fix the problems with that, and then have a straight-up, straight-down vote on that one. Would you be prepared to sever the bill so that everything's excluded from the taxis, and we would give fast passage in two seconds out of those, not a problem, and then take a bit of time to fix the problems with the other bill?

**Hon. Mr. Takhar:** I agree with the honourable member that there's a lot of good stuff in Bill 169. I agree that it will make our roads safer. Some of the provisions are very good. But on the taxi-scooping issue, as I said last time, there are three goals for me: protecting consumers from illegal operators, ensuring passenger safety in taxis and limos, and also making sure this industry is viable and protected. Those are the three issues for me. Keeping those three issues in mind—that's why this legislation was introduced. I'm sure the member will agree that nobody in this province would like to have unlicensed drivers taking away passengers from people who earn their livelihood in a legal manner.

**Mr. Bisson:** Does that mean maybe?

**Hon. Mr. Takhar:** That is exactly the issue. The short answer to my colleague here is that we are not prepared to split this bill. I think this is the right bill to go ahead with. It needs to be passed, and I'm looking forward to support from the NDP and all other parties on this front. The issue here is illegal taxi-scooping. The issue here is safety of passengers. The issue here is protecting the public, protecting visitors to this city.

**Mr. Bisson:** Thank you, Minister. That was just on time. I take it the short answer is maybe?

**Hon. Mr. Takhar:** No, the short answer is no.

1610

**Mr. Bisson:** I just wanted to make sure. It's unfortunate, Minister, because by coming to an agreement to make fast passage on the rest of the bill, you could have had the bill away at the Wednesday night sitting. I would

argue that we don't need a lot of time on the other bill. On the scooping part, I agree with you. We need to do something around the scooping issue. It's how we treat limo drivers differently than taxi drivers that is the big issue, and I'm a little bit sad you are not able to do that.

But let me get to another issue: truck inspectors. I've had the opportunity to meet with a number of truck inspectors over the summer and fall. As you know, a number of truck inspectors were hired under the Conservative watch. You would know there was a fairly significant problem with flying truck wheels and other issues when it came to truck inspection.

The provincial government of the day, under the Tories, did the right thing and increased the number of MTO inspectors to make sure we can inspect and catch those offenders so we can make our highways safer. We now know that there are some 70 inspectors who have left and gone on to other jobs, been promoted, whatever it might be, and that there has not been a replacement of those. I'm just wondering, Minister, if you are prepared to commit to try to bolster the numbers on the inspection side.

**Hon. Mr. Takhar:** The numbers fluctuate from time to time due to general staff turnover. However, the number of those truck inspectors has remained relatively stable. I have checked the data for the last five years. The number has not really changed. The actual number of bodies who do inspections more or less stays the same. Each year we conduct about 140,000 commercial driver and vehicle inspections province-wide, and those inspections serve a very useful purpose.

What I also want to say to you is that we are going to go ahead and look at how we provide service. My thinking on that front is that we need to do more that is proactive rather than after the fact. That's why we are looking at streamlining and modernizing this service and we will be moving ahead with that.

**Mr. Bisson:** Quite frankly, I don't agree with you. The one thing we learned in the crisis we were in the last time with the flying truck wheels is that if somebody is driving down the highway and thinks they're not going to get inspected, thinks they're not going to get caught, there's more likelihood that they're going to break the law or that they're not going to fix their vehicle to make it safe. I think one of the integral parts of the system—yes, there were some advances done by the former government. I give them some credit in regard to some of the initiatives they took to make the method by which we certify trucks and all that a better system. But overall, you've got to be able to have the inspectors on the road to make sure they know there's a chance of being caught. If you decrease the number of inspectors, I think that in the long run you're putting the public at risk. There are 70 inspectors missing. Are you prepared to replace them, or are you going to replace part of them? What's your plan?

**Hon. Mr. Takhar:** Let me repeat this: In 2003, the number of inspectors was 292. The number of inspectors as of August 2005 is 301.

**Mr. Bisson:** Yes, but they were increased under the Tories. We know that. That's not the issue.

**Hon. Mr. Takhar:** The number has more or less stayed the same. I'm giving you the 2003 number, which was when the Tories left, right? It was October 2003. There were 292 on the road and now there are 301 on the road.

**Mr. Bisson:** So tell me why inspectors are coming in to see me to tell me the numbers are less.

**Hon. Mr. Takhar:** Can you let me answer the question? Right now, it's 301. What we're planning to do—it's not an either/or approach; it's both. We want to do the inspections on the road, but we also want to do proactive inspections, so we might be rechanneling some of these inspectors, but the total number of inspectors will more or less stay the same. At the same time, we want to provide service that is useful to the industry, that is useful to the people who travel on the roads, and to actually protect our consumers and make some of the roads safer.

**Mr. Bisson:** I've got to say a couple of things. First of all, I'm being approached by those people who do the job. They're telling me that there are fewer inspectors today. In fact, they're saying that some of the scales are not manned at all because of the shortage of manpower and that as a result you have a situation where trucks are able to bypass the areas where they know the scales are up and running. In fact, on some of these snap inspections that were done on those roads where truckers figured there would be no inspection, they found a higher level of non-compliance than they did on the roads where the truckers know they are being inspected. It comes back to my point: If they know they cannot get caught, they're not going to fix their trucks, and when we do the inspections and snap inspections, or the OPP does a blitz, we're finding that the numbers of vehicles which are out of compliance are up. You're saying there's no decrease in staffing?

**Hon. Mr. Takhar:** What I'm saying is, there are always vacancies because there is a turnover in the staff, but the number of people who are doing the road inspections has stayed more or less the same for the last five years. The actual head count has stayed the same. We are absolutely committed to making sure that our roads are safer, and our roads are some of the best in North America, from the safety point of view. So we must be doing something right. You also need to look at how—

**Mr. Bisson:** Can I ask you just a short question? Are there any vacant positions currently of MTO truck inspectors in your ranks?

**Hon. Mr. Takhar:** There are always vacant positions, everywhere.

**Mr. Bisson:** How many would you estimate?

**Hon. Mr. Takhar:** I don't have the exact—

**Mr. Bisson:** According to media reports I've got in my office, which I'll go down and share with you, there are 70 missing. So who's wrong?

**Hon. Mr. Takhar:** The thing that you need to see is how many inspections we are doing. In 2002-03, we did



106,000 truck inspections. In 2003-04, we did 146,000 truck inspections. In 2004-05, we did 143,000 truck inspections. In fact, it has gone up since 2002-03. People are becoming more productive, but we also need to make sure that we are using them effectively and we are getting more productive work.

**Mr. Bisson:** Can I ask you, through the Chair, if I can have the ministry table the manpower staffing levels for truck inspectors for the last two years? The other thing that I want is—

**The Chair:** And do you want the number of inspections as well?

**Mr. Bisson:** Yes. That's where I was going. Very good, Chair. You saved me time. I like that. You're a very good man. We'll come back to this. If we can have that by tomorrow, that would be very helpful.

The other thing in regard to the truck inspection: One of the things I'm being told is that there's an initiative of a type—and I don't know how far down the pipe this is. It was reported in the media, if I remember correctly, in regard to the Ontario Provincial Police being asked—or at least police forces generally—to take on more and more of the responsibility of truck inspection. What I'm getting complaints about from some of the police officers is that they don't have the wherewithal to do that because they have other duties to take care of. Is there a move afoot to get the police services to carry out more of the inspections, sort of on side road inspections, that normally are done by MTO officers?

**Hon. Mr. Takhar:** I think I basically answered that question already. I said that the number of people who are doing the inspections more or less has stayed the same and the number of inspections has increased. Creating safety is a joint effort between the police and the MTO inspectors. It has always been the case and will always be the case. You need a group of people who can bring different skills to promote safety on the roads.

**Mr. Bisson:** No, that wasn't my question. My question was, I'm being told—according to what I read in the paper, and then I contacted some police officers to find out about this. They confirmed that this is what they hear, but I don't know if it's actually what you're doing. That's the question I'm asking: You're going to be relying more and more on police officers to do inspections, truck inspections, as compared to before. Is that the case? Is there a move afoot to go that way?

**Hon. Mr. Takhar:** I think I answered that question already. What I said is that we always work together. Our inspectors have more or less stayed the same. There has been no change in practice.

**Mr. Bisson:** So you're saying—let me put the words in your mouth—you will not be increasing the number of inspections done by police services this year, next year or the year after.

**Hon. Mr. Takhar:** The effort that my ministry puts out is more or less the same as before. If the municipalities want to do anything differently, we have not instructed them one way or the other to do anything.

**Mr. Bisson:** So you're saying you have not instructed police services to carry out more inspections.

**Hon. Mr. Takhar:** No, we have not—

**Mr. Bisson:** You have not. OK. That's all I was looking for. And you don't plan on going there either.

**Hon. Mr. Takhar:** We are always going to work together.

**Mr. Bisson:** We know that you work together, Minister. Listen, I'm not trying to be combative with you—

**Hon. Mr. Takhar:** I can't tell you what is going to happen two years down the road.

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**Mr. Bisson:** That's not the question. Listen, I'm happy that you answered the first question. You said, "No, we don't plan on having more truck inspections done by police officers than we normally do in the regular course of duty." That's fine. The next part of the question is, is it true that there is a move to get the ministry to do more? You said no, and I'm satisfied with your answer.

**The Chair:** I'm satisfied that your time has expired.

**Mr. Bisson:** Thank you very much, Chair. You were so helpful.

**The Chair:** I recognize Mr. Dunlop.

**Mr. Garfield Dunlop (Simcoe North):** People are getting kind of testy in here today.

I have a series of questions, and I apologize if I'm not that organized, because this is my first round of estimates, although in 2002, when I was the parliamentary assistant to the Premier, I was taking the questions from Mr. Bisson. So I know exactly the situation you're in.

A few questions, and I'm not so sure if you can answer the questions today and get back. I do appreciate the fact that in the responses, you got back with answers that I wasn't aware of. I appreciate those.

I'm going to go back to the HOV lanes for a moment. First of all, as I told you earlier, I support the principle. The more people in the car, the better, and all that sort of thing. I hope the pilot projects we're working on are successful, and I hope we can make sure that we have HOV lanes in a lot of our 400 series of highways. I think, in a way, it will be very positive for the transportation system in our province.

I'm wondering, when you did make an announcement like your plans to go ahead—and I understand that you've got plans put in place; you're actually going to, in some cases, start construction fairly quickly—in terms of money coming to the ministry, do you actually cancel other projects that might be planned so that you can proceed with those ahead of time? That's one of the questions I wanted to ask.

**Hon. Mr. Takhar:** You want me to answer that now? Congestion is the immediate problem in the GTA, so we needed to address some of the congestion issues on our major highways like the 403, 400 and 401. These projects, one way or the other, needed to be addressed. We needed to do something on those. What we thought was that in order to maximize the capacity on our



highways, we'd use that more effectively. So we're just using a different approach to addressing the same issue that we needed to address. So this money, in a short answer, is not coming from any other project. This money was supposed to address the same issues, although we have taken a different approach to it.

**Mr. Dunlop:** What you're saying, then, is that if you're doing a Highway 403 project—and I believe there is one on Highway 403—that money was previously allocated to some type of a project on Highway 403?

**Hon. Mr. Takhar:** This was the money that was allocated to address some of the issues on the 403, congestion issues.

**Mr. Dunlop:** OK, because what I'm worried about is—my colleague Jim Wilson isn't here today, and he has a huge problem on Highway 26. I'm not sure what the status is today on the Wasaga Beach/Collingwood project. I briefly mentioned it the other day and the fact that there has been substantial construction with the Intrawest project in Collingwood. In the Collingwood area, there are all kinds of developments around Thornbury and Meaford, condominium projects, you name it. There's a lot of development up there, I think, as baby boomers retire to that region.

There was apparently, at one time, a sign on the highway saying that the project would proceed at a specific time. I think it was in the spring of 2003 or 2004. Now that sign has been boarded over, and we're not really sure what exactly is happening with that particular project at this time. What I hope I'm hearing from the minister is that you wouldn't cancel a project like the Highway 26 project and proceed with an HOV lane at the expense of a project in another community. That's sort of the question I'm asking.

**Hon. Mr. Takhar:** Actually, did you know that the demand to do these projects far exceeds what you will ever get in allocations? So the demand far exceeds that. The other is that it also depends on how far the projects are in the planning stages. Sometimes you need to do the environmental study, then you need the design work, even though the need may be in that community. So we are not taking money away from projects, but at the end of the day, we need to prioritize projects because sometimes the demand very far exceeds what you can do during that year. So you need to prioritize the projects. But there is no effort being made to divert from one community to another. We try to address the needs in each community, more or less based on the need in that community.

**Mr. Dunlop:** Thank you very much, Minister. If that's the case, could you give me an update on exactly what is happening with Highway 26? Because I can tell you, coming from Simcoe county, it's a fairly large issue in the Collingwood–Midland–Penetanguishene area. We're hearing a lot of media comments about it. There's certainly a concern from the general public that that project may be on hold for a long period of time. My concern is—I'm kind of speaking more or less on behalf of Jim Wilson. Some of my other colleagues had asked me to

raise some questions here today. Can you actually tell us when, in fact, we may see some movement so that project can proceed to construction?

**Hon. Mr. Takhar:** First of all, I'll tell you that there was never funding committed to Highway 26 by any government before. You should know that. We know that Highway 26 is important to the Simcoe community; we understand that. The issue here is that the engineering work for the Highway 26 new alignment between Wasaga Beach and Collingwood is ongoing and will require federal approvals before the timing of construction can be established. That's where the issues are. We need the federal approvals. We will attempt to use this time to work with our municipal partners to complete a value engineering study, which we are trying to do right now. This value engineering study will look for efficiencies in this project, make the project more competitive and result in better value for tax dollars.

We are also planning for a potential bypass of Collingwood and the Stayner area as well. So we are actually working on it, we are looking for approvals, and once the approvals are obtained and the value engineering work is done, then we will be in a position to maybe start the construction on this project.

**Mr. Dunlop:** So you're saying that all agreements haven't been made with the municipalities, which would be in that case, I think, Clearview, the town of Collingwood, the town of Wasaga Beach and the Town of the Blue Mountains. I believe they would all be involved in that. I'm curious, then: You're saying that there are municipal agreements that still have to be put in place, but there are federal agreements as well or federal approvals are required?

**Hon. Mr. Takhar:** Federal approval is required. Let me just get the ADM in charge of this project and he can maybe give you a little bit more detail.

**Mr. Dunlop:** I've known Carl for a long time. We fought over a few roads up in Simcoe North too. Thanks. Good seeing you, Carl.

**Mr. Carl Hennum:** I think what the minister is saying about Highway 26 between Wasaga Beach and Collingwood is that we're still waiting for federal approvals for fishery aspects of the job. So it's still not cleared.

The minister is also correct that we have to take a bigger look at the area because of what you mentioned in terms of the interests in development at Blue Mountain. In fact, Jim Wilson and I met with the town of Collingwood a couple of weeks ago and discussed how we were going to proceed with the Collingwood bypass and so on. At the request of the town, we are pulling back a little bit to take a broader look at the area to make sure that we satisfy the desires of all the municipalities in the area and incorporate their perspectives into a broader transportation study which will outline where the bypass of that area will be.

**Mr. Dunlop:** I apologize that most of my questions involve Simcoe county, but I'm kind of selfish from that perspective. I guess the problem, Minister and deputies and assistant deputies, is that it is a county that's growing

at a fairly rapid rate, and the greenbelt legislation is not going to slow it down, because we're actually seeing now a huge leapfrogging effect, and I think it's going to have an impact on the 427 expansion and those sorts of highways as well.

I want to ask a question now on the 404. I've been around politics for a lot of years, and I've been hearing about the Bradford pipe bypass and the 404 for a couple of decades now. But I'm curious. I've forgotten the exact name of the project, but there's apparently a study underway right now that directs more people to the north, via the expansion of highways in central Ontario, to eventually wind up on Highway 11 or Highway 400/69.

1630

We've had a number of meetings. One was on the proposal to expand Highway 400 to five lanes or six lanes in each direction; the possibility of widening Highway 11 from Barrie through to Orillia; and there's also the 427 corridor, which—I happened to be at a public meeting one night, and maybe some of the folks in this room were there, at the Barrie Golf and Country Club, and it wasn't very well received where it was coming out, through Midhurst.

One question that continually comes up on that program is, why is the 404 expansion to—I believe it would follow Highway 48 up to Highway 12, and then Highway 12 would be either widened or expanded at some time down the road. Is there anything we can say today about the future expansion of the 404 north of Newmarket, up into Simcoe county and south Muskoka?

**Hon. Mr. Takhar:** Let me just say first, I think on June 27 this year we announced that Highway 404 will be extended from Green Lane to Ravenshoe Road, with construction expected to begin within three years. We announced that already.

**Mr. Dunlop:** I'm sorry, Minister, I didn't understand. What was the announcement?

**Hon. Mr. Takhar:** We said we will expand the 404 from Green Lane to Ravenshoe Road. We have done that already. On the 404 extension that you talked about and the Bradford bypass, we had the provincial environmental assessment done, but the federal environment assessment is still required and most probably will be done at some time in 2006. That's what the timing on that one is. I don't know if Carl wants to add anything more to this.

**Mr. Hennun:** As the minister indicated, we are focusing on the first link of the 404 extension, from Green Lane, which is just north of Newmarket, up to Ravenshoe Road. That is the first step. That's all we have committed to at this time.

In keeping with the growth plan that was established by the present government, we don't have any scheduled plans for extending it beyond there at the moment. We are doing the design and are seeking environmental approval for that first link. Hopefully, by late 2006 or early 2007 we may be able to consider starting construction.

**Hon. Mr. Takhar:** Let me just give you a couple of numbers so you can put that into place. The rough estimate for the 404 extension is about \$900 million. The Bradford bypass is about \$400 million. These two add up to about \$1.3 billion. We are already moving ahead for acquiring the properties for the 404 extension and hope to have this project tendered in 2007.

**Mr. Dunlop:** What I wanted to put on the record is that the folks up in eastern Simcoe county, up around the Gamebridge-Brechin-Highway 169 area, or county road 169 now—one of the reasons there is a lot of keen interest in seeing the 404, and I know there have to be further studies done and that sort of thing, but as you look at the possibility of planning to widen Highway 11 through gasoline alley and possibly the 400 or 427, we wondered why there wouldn't be some importance put on the 404, for two reasons: It would bring people from the eastern side of the GTA up through Newmarket and on to Muskoka that way eventually, and the other benefit it would have is that in that area there's been such a designation of aggregate, basically in the Ramara township, Severn township. Some of the best limestone we have in the province, really, is there. What we're seeing now, with the elimination of the railway system from the quarries, is Highway 12 basically being used as a haul route for literally hundreds of trucks per day. I've been in Lafarge and James Dick quarries—I think Dufferin has a huge quarry there as well—and Highway 12 is becoming a haul route. I know you've put in some truck lanes and that sort of thing.

People are saying that it's hard to get by some of the trucks when you're southbound on Highway 12 toward Whitby. I'm curious: The 404 would make a phenomenal haul route at some point to alleviate the pressure. I don't think the pressure on those municipalities is going to be reduced, by the fact that we have so many quarries located in them, and there's a lot of land that's licensed for the future as well. So we should see ongoing pressure from the aggregate companies to use those roads as haul routes. I thought that the 404 would be a nice way to plan in the future.

**The Chair:** Briefly, thank you.

**Hon. Mr. Takhar:** I understand your position on that. I have met with the local area mayors, and we have plans in place to include Highway 12 as well. The design back is under way to address the immediate bridge rehabilitation needs for this section of the highway, and MTO has several other highway improvement projects on the design and construction on Highways 7 and 12 through Durham region. I also understand the importance of the 404. That's why we announced that project. I know that the mayors from the 427 area have also met with me to fund the extension of that as well. So we are working a little bit on that project as well.

**Mr. Dunlop:** Good luck on that one.

**The Chair:** Thank you, Mr. Dunlop. I'd now like to recognize Dr. Kular.

**Mr. Kuldip Kular (Bramalea-Gore-Malton-Springdale):** Minister, I want to welcome you, and I want to



thank you for taking time out to help us with the estimates of your ministry. As you know, I represent the riding of Bramalea-Gore-Malton-Springdale, and I also want to commend you and thank you for making the safety of Ontarians a commitment and a high priority on our roads as well as on our highways.

Some of my constituents work as legal drivers at Pearson International Airport. As you know, Pearson falls into my constituency. They tell me they've had to pay high fees to the Greater Toronto Airport Authority to operate at the airport as drivers, and they also tell me that a lot of illegal drivers work at the airport.

I want to give you an example. At one time during last winter I was travelling from Sudbury to Pearson International. What happened was that I was picked up by an illegal driver. I have travelled so many times to Pearson; usually the road fare from Pearson to my home is about \$45, and as soon as this guy picked me up and took me to my home, he was asking me for \$85. I said, "What are you talking about?" He says, "\$85, and I want cash." I said, "No. I don't want to give you the cash, and I know—I have been travelling quite often—it takes only \$45. Show me your rates of the Greater Toronto Airport Authority." He said, "I don't have it."

I also want to thank you for bringing forward Bill 169. If passed, I think this will give some of the illegal drivers who work at the airports in Ontario a very difficult time. My question to you, Minister, is, how does Bill 169 make illegal drivers operate differently than at this time?

1640

**Hon. Mr. Takhar:** Let me first say that you are not the only one who was scooped by illegal taxi drivers from the airport. It has happened to me as well. I came from Ottawa, and I was approached that way as well.

But this bill is not just about the Toronto airport. This bill is about making taxi scooping illegal in this province. This is an issue at the airport, this is an issue in the city of Toronto, this is an issue in Ottawa, this is an issue in Niagara Falls and this is an issue in London. It exists in all major cities.

What we are planning to do with Bill 169 is make scooping illegal in this province, not only for taxi drivers who pick up illegally because they don't have the right licence; it will also become illegal for anybody to arrange for scooping. It will greatly benefit the taxi drivers in the Toronto area as well, because their major complaint has been the people who scoop fares from hotels. If a hotel operator or any employee in the hotel industry illegally passes passengers to a taxi that doesn't have a valid licence, they can both be charged. There will be immediate penalties associated with it. The same thing will happen at the airport. The same thing will happen in Niagara Falls and in all other areas.

The idea here is to protect consumers from illegal operators, making sure there is safety for passengers in taxis and limos. We also want to make sure that the taxi industry is viable and vibrant. By doing so, if people with valid licences can pick up passengers, then their industry will become better.

This bill is basically intended to make sure that scooping becomes illegal in this province. We are absolutely determined, if this bill passes, that it get implemented and enforced effectively as well.

I want to thank you for your support for this bill as well, because you have worked very tirelessly to make this happen.

I just want to tell you that the fines proposed for convictions under this bill will be from \$300 to \$20,000. The proposed offences, as I said, will apply to drivers, will apply to arrangers and will apply to owners, and driver's licence suspensions or plate denial upon renewal will also apply if fines are not paid. So not only are we going to make sure that this bill passes, not only do we want to make sure we have support for this bill, but we also want to make sure that if this bill passes through the Legislature, it gets enforced properly as well.

**Mr. Kular:** Thank you, Minister. The drivers in my constituency are at this time working very hard at Pearson International Airport, and if this bill is passed, they have been telling me that I should thank you on their behalf. As soon as this bill is passed, I think you definitely deserve high commendation and I will come to your seat in the Legislature to thank you on their behalf.

My second question: As you know, I represent one part of Brampton and you represent one part of Mississauga, and Mississauga as well as Brampton are a part for the region of Peel. There's one highway which really connects the whole region of Peel, and that's Highway 410. I know it has been in the Ministry of Transportation's plans to extend Highway 410 from where it presently ends north of Bovaird Drive, and there are plans for extending this highway from Bovaird Drive to Sandalwood, from Sandalwood to Mayfield and from Mayfield Road to Highway 10. Can you say whether we have money in this year's estimates for the extension of Highway 410, or what are your further plans for Highway 410? When is it going to be extended, and when will the final extension go up to Highway 10 in the region of Peel?

**Hon. Mr. Takhar:** Mr. Chair, through you to the member, let me just say this: The first issue that you raised, about the taxi scooping, is about public safety and it's about consumer protection, so I don't think anybody needs thanks. I think we need to protect the public and we need to protect our consumers.

On the issue of the 410, our government is absolutely committed to making sure that the 410 completion goes ahead on schedule. I actually want to thank all the members from the Brampton area who have really spearheaded this cause.

The first phase, as you know, is complete. The design for phase two, from Sandalwood to Mayfield, is complete. Property acquisitions are about 85% to 90% completed. Most of the issues are behind us now. This is going to go to tendering, if I'm correct, in the next couple of months. This project should move ahead as scheduled, at least for the second phase.

On the third phase, there are public information sessions going on; in fact, I think one is today, if I'm not



wrong. They are moving ahead in a very disciplined fashion to make sure that the 410 completion occurs and occurs on a timely basis, and that the proper funds are allocated to make sure that the 410, which is so strategic to Brampton, Caledon and other areas, happens on time.

**Mr. Kular:** Minister, I really want to thank you for holding the public hearing meetings in our region as well. As you know, there is one being held tonight, and I wanted to go there but somehow I'm on House duty.

Chair, how much time do I have left?

**The Chair:** You have about six minutes.

**Mr. Kular:** There's a third area I want to deal with. The other day, the member from the third party asked you about the suspension of drivers' licences. As you know, I'm a family doctor turned politician. I used to work at the William Osler Health Centre, Brampton Memorial branch, as an emergency physician from 1986 until about 1998. When patients come to the emergency saying that they are having a dizzy spell or they feel weak, most physicians have to do a lot of investigations. Once a doctor makes the diagnosis that there's a possibility of a seizure, he definitely has to report to the Ministry of Transportation about suspending the licence. I know for a lot of older people, even younger people, if they get their licence suspended for some time, their livelihood is at stake. It's very, very difficult for the emergency physician to say definitely whether at that point in time the patient does have seizures or not.

I have dealt with in my practice, two or three times, similar patients who have had to have their licences suspended. We get neurologists and some of the other specialists involved. They have to write extra letters. In my experience, if everything is going on time as it should—the patient is seen by the specialist at the right time, there's not much of a waiting time in seeing a specialist—the whole thing can be settled in about four months' time. This is not that bad, but still, for a person whose livelihood is depending upon their driving distances, Minister, my question to you is, can that period of four months be further reduced? Can you do anything to reduce it?

**Hon. Mr. Takhar:** I think I have some experts here on the medical side who actually look after all these things. Here's an acting assistant deputy minister who will be more than pleased to answer this question.

**The Chair:** Welcome, Mr. Bartucci. Please enter your proper name and title for the record.

1650

**Mr. Ernie Bartucci:** Ernie Bartucci, acting assistant deputy minister for road user safety.

We have made some improvements in the processing or the assessing of medical reports from physicians. The two- to six-week number that we use is an average number. As you know and as you've indicated, depending on the complexity of the illness that is reported in the first instance and the completeness of the report, our staff will triage that and can get some conclusive decision within a week or two, in most instances.

It is only in those instances where we need to dialogue with the physician for further elaboration of the diagnosis or results of the test to support a particular condition that has been identified that it tends to take us much longer. I dare say that the four months that were described is anomalous. I think we usually can clear medical reports within five to six weeks and identify them for consideration via our specialist medical advisory committee if our staff is incapable of making a determination because of the nature of the illness.

As was indicated previously, our staff, as well as other jurisdictions, use a standard that is developed by the Canadian Medical Association in partnership with motor vehicle administrators. It is a standard that we assess. We're not physicians. We don't make decisions; we seek advice from physicians in deliberating on files.

**Mr. Kular:** Thank you very much. I'm done.

**The Chair:** Very good. Mr. Dunlop.

**Mr. Dunlop:** Mr. Chair, can you tell me how much time I have now?

**The Chair:** You've got 15 minutes.

**Mr. Dunlop:** I'm sorry; 15 minutes? We just go in rotation?

**The Chair:** Yes, we go in rotation.

**Mr. Dunlop:** OK. Sorry; I wasn't exactly sure how it worked out.

I've got quite a few questions on road repair and maintenance. I'm looking for information, simply the success and failure rates of winter sanding, salting and the liquid chemical they put on a series of highways that are under contract. I guess all the provincial highways are under some kind of contract.

Can someone, maybe yourself, Minister, or someone from the ministry, explain to me a couple of things: For decades we've used salt and sand, and I've noticed in the last few years we've seen a little more chemical on the road, or they spray it with some kind of a liquid calcium or whatever it may be. I'm wondering if you had any studies on that to date that would indicate the success of that, the environmental success of that as well, as we try to allow less salt contaminants to wash into our lakes and rivers and ditches etc. Again, I'm thinking of Lake Simcoe and my selfish reasons for asking these questions.

**Hon. Mr. Takhar:** Let me start this, and then I will ask Carl Hennem if he can pick up from there.

I want to tell you that our maintenance standards are the highest in North America. I think that is one of the reasons that contributes to making sure that our roads are the safest in North America as well. We expect our contractors to meet ministry standards, and we monitor their work very carefully during and after the winter season to make sure that all we expect from them gets done, including the environmental issues. We use the latest technology, tools and methods to keep the roads safe in the winter season.

I'm going to ask Carl to give you more information, that we use pretreated salt, which sticks to the road surface and so on. He can talk about how the technology has changed over a number of years.

**Mr. Hennum:** In the really old days, we would just use sand. Perhaps you don't remember, but that was the case. For many years now, we have used both salt and sand, as you've stated. Salt is effective down to about 14, 15 degrees below zero Celsius. After that, you have to use sand. So you will find that in northern Ontario, for example, there's considerably more sand used than in southern Ontario.

In recent years, we have introduced chemicals to add to our salt. In fact, we use chemicals now—calcium chlorides, magnesium chlorides, depending on the supply—to make our salt more effective. We use a method called pre-wetting of salt, which means that we introduce liquid to the salt before it actually reaches the road, so it has a certain stickiness to it and stays on the pavement rather than being blown around. It also works faster, because the melting process itself has already started, so it's more effective that way. This has environmental implications, as well as great savings, because the less salt, the less the environmental impact. For example, by pre-wetting salt, we can reduce the amount from, say, 135 or 140 kilograms per kilometre down to about 90 or 95, which is a considerable improvement.

We also use chemicals for what we call anti-icing. We sometimes spray the pavement several hours in advance of freezing so that when black frost or actual ice appears, we already have the chemical down and we prevent slipperiness of the pavement itself. That is widely used.

We work with the international community on research in winter maintenance. As the minister indicated, we are one of the foremost winter maintenance agencies, probably globally. We are quite proud of our record and the accomplishments we have in terms of using new technology.

**Mr. Dunlop:** I guess what I'm going back to is that I know of a number of situations, and they probably date back to before any of us were involved in politics or worked with MTO, where there has been contamination of wells from road salt, and MTO takes the responsibility. There are a number of them up on Highway 11; I'm sure you've heard of them over the years. It's been a problem for the homeowners, but it's been an expense for the taxpayers. Salt is washed into the ditches and has filtered its way through the sand and got into some wells. With the thousands of miles of roads that we have in Ontario, it has to be an ongoing challenge to see if we can try to eliminate that type of thing.

Is there any way that the government is currently measuring their salt contamination on highways, or is it that today we've got the 400 series of highways and we don't really have a lot of buildings and wells adjacent to the roads any more?

**Hon. Mr. Takhar:** Let me start. We use the latest technologies to do everything for winter maintenance. Let me give you an example. We are using electronic spreader controls to reduce waste and maximize effectiveness of materials. As Carl just said to you, we now use a pre-wet salt rather than dry salt. The tonnage of salt that we put on the road is far less than we used to before

and it's also way more effective. We use fixed automated spray technology to automatically spray identified bridges with anti-icing liquids and so on.

Our whole study is that we should use the latest technology. We should try to use material that is more effective and use less of it, and at the same time try to be very careful about the environmental impact of those things, not only on our roads but the total environmental impact. We do everything we can possibly do. But the winter is harsh, so you need to address some of those issues and at the same time be careful about the environmental impact.

**Mr. Dunlop:** I understand that completely. When I hear of all the environmental analyses and impact studies that have to be done—an example would be the 404 or the 427 expansion northward. I know you talk about how highways will impact natural heritage corridors and lakes and rivers and all that sort of thing. When you're doing those types of studies today under our modern programs, do you include the impact of salt on well water and well water contamination or groundwater contamination? Is that part of it at all, or do we just try to divert the salt and sand away at a later date, once there's highway construction?

1700

I'm really curious about that because I think the whole world has become far more environmentally friendly, and people who would never even talk about the environment 25 or 30 years ago are today out there in environmental organizations fighting against the expansion of a road or supporting it, one way or the other. Can you make any comments on that?

**Hon. Mr. Takhar:** The standards over the years have changed a lot. Now we are way more knowledgeable about what the environmental impacts are, but we are also being more careful in what kind of materials we use and how we use them and how effectively we use them.

Let me ask Carl to specifically address the concern that you've raised.

**Mr. Hennum:** It's an interesting question. Of course, it's a difficult one as well because, as you know, many areas of the world have done research on winter maintenance and, quite frankly, there is no other material, within a reasonable cost, that is as effective as salt. So we're kind of locked into using it. But when we do environmental studies for the new alignments I think you are referring to, the impact on the environment is measured or estimated for each of the alternatives, and the impact on groundwater is certainly one of the things that we are looking at in that respect as we are looking at wetlands and streams and fisheries etc. So, yes, they are taken into account when we select the preferred alignments for new facilities.

**Mr. Dunlop:** Really, I'm saying that because I've become a bit of an environmentalist myself. I'm serious. Things that I wouldn't have thought about 10 years ago, I pay much more attention to. I think that's just the general feeling of the public, the same as we talk about the Drive Clean program and those types of things. If it's going to have a positive influence on the environment, so be it.



That's why I wanted to ask that question, because most of my questions to you today, Minister, and in the last two days, have been directed at Simcoe county highways or proposed highways for Simcoe county that will affect the county. I worry about that, because, to bring up the 404, I'm wondering what will the negative impact on the environment be with the 404, what will it be with the 427 and the expansion of all these roads etc.

I know you're not going to do it all overnight. It's going to cost hundreds of millions of dollars to build all those highways throughout those regions. But at the same time, when constituents come to me with a concern—and there definitely will be concerns with any Simcoe county roads on the impact they will have on Lake Simcoe. I talked last night in the House on the throne speech, and basically the whole speech related to the future of Lake Simcoe as an economic generator in the province of Ontario—it's a beautiful lake—and how we as governments, whether it's municipal, provincial or federal—what the impact will be in the future on that lake if we keep going in the direction we're going.

I just want to be assured here today or know that one of our major ministries that will be building highways around that lake will be taking into account the negative impact of surface runoff and of salt contamination or calcium contamination on that lake. I just think that it's so important that we take these lakes or rivers or whatever they may be, that we take these beautiful areas of our province—every ministry has a role to play as we develop them and we develop the province.

**Hon. Mr. Takhar:** I think that most of the comments you've made are very reasonable and make a lot of sense. But at the end of the day, it's a balancing act. You have to address the needs of the developing community, you have to build roads, you have to address the issue of congestion and you have to take into account the environmental issues. Above all, you have to make sure that the roads are safe, that people can travel from one place to another and that our economy doesn't suffer. I think we are trying to balance all of those in a reasonable way, so that the needs of the people get addressed and our roads stay safe for the people who travel.

**Mr. Dunlop:** Minister, I appreciate the fact that public safety is a top priority for the Ministry of Transportation. I was so pleased to see—and I want to put this on the record—the responses on the Highway 12 Coldwater to Orillia expansion. I don't know if you're aware of this little story, but I wanted to add it into the record and tell you why I'm so pleased to see it proceeding.

As we've gone through this process, there have been a number of public meetings held so that the general public can comment. For some time, I've been pushing—I guess you're the fifth minister I've pushed—for truck lanes on Highway 12 in the eastbound lanes going toward Orillia, because it basically all goes uphill, and big tractors, buses and gravel trucks slow down the traffic quite a bit.

It was so amazing that at not the most recent meeting, but a public meeting of two years ago held in a little community called Warminster, at the Legion, everybody

was able to go out and talk about what they wanted to see with the highway. This is not a negative thing in any way toward the MTO, but it was so ironic that the very next morning after the public meeting, there was a young lady and three of her high school classmates who were going to Orillia. She was a 16-year-old driver, and she tried to pass a truck on that highway, and she was killed instantly. It's such a sorry thing, because the public meeting was held the night before, and people were talking about a truck lane. It was driver error; there was no question about that. She shouldn't have tried to pass the truck. But it would have been amazing—if those truck lanes had been there, there's a good chance she'd be alive today.

I just wanted to say how important that road is to the people in north Simcoe, that it's been a long time coming. If we could possibly make it happen next year, it would be very important to the people of the community.

**The Chair:** Thank you, Mr. Dunlop. I'll now recognize Mr. Bisson.

**Mr. Bisson:** I was at the Northeastern Ontario Municipal Association earlier this September, where mayors from as far south as the Matheson-Ramore area all the way up to Hearst were concerned about reports in the paper, and they had also been contacted by people within the ministry, that there were going to be cuts to the winter road maintenance program this winter. I'm wondering if you would like to comment on that. Are there going to be cuts to winter road maintenance?

**Hon. Mr. Takhar:** Actually, we just answered that question, but let me just say that we have no plans to have any cuts in the winter maintenance operations. Our winter maintenance operations will more or less stay the same, although what we are looking for are better ways to maintain our roads, to use the different philosophies and technologies to make things even better.

**Mr. Bisson:** One of the figures that I heard reported from one of the individuals who presented to the Northeastern Ontario Municipal Association meeting was that there was a plan to cut 250 units from winter road maintenance equipment across the province: sanders, salters and plows. There's no truth to that? There will not be a reduction of equipment?

1710

**Hon. Mr. Takhar:** I think that's what I said. We have no plans to reduce the winter maintenance operation. In fact, we want to make it more effective by using more technology and different methods to do salting of the roads.

**Mr. Bisson:** So you don't expect that there's going to be a reduction of 250 pieces of equipment overall within the winter road maintenance program this year or next?

**Hon. Mr. Takhar:** I think that's what I said.

**Mr. Bisson:** OK. That's all I wanted to know. That's good. It's interesting, because when we talk to IMOS—you know who IMOS is, obviously—they tell us that's not the case. So what's going on?



**Hon. Mr. Takhar:** I'll let Carl answer that question. Maybe he can give you more details if there is any issue with IMOS.

**Mr. Hennum:** I think it's expected of us that we continue to look at the effectiveness and efficiency of any operations that we have out there. We certainly continue to talk to our contractors about how we can make things better, how we can get the same service for less money and so on. We certainly have talked to contractors over the last several months, and I think we'll probably continue to find better ways of doing things, as the minister says. There may be somebody who misinterpreted that and assumed that we are maybe cutting trucks out there.

**Mr. Bisson:** Then the people I've talked to at IMOS management didn't know what they were talking about; there's not going to be a reduction of 250 pieces of equipment?

**Hon. Mr. Takhar:** I think I answered that question.

**Mr. Bisson:** I know you did. I'm just paraphrasing. So we got the answer to that.

You were saying that we're all trying to get a bigger bang for our buck—nobody's going to argue about that—and you said that you are looking to get the same service for the same amount of money. I understand that. However, IMOS is telling us that they're going to be reducing services in some of their contracts. So that's not going to happen? I'll give you what I was told specifically: The area between Temagami and Porquis is one where they are looking at reducing services. Just in case you don't know where Porquis is, it's just outside of Iroquois Falls. I take it you know where Temagami is.

**Hon. Mr. Takhar:** I'm sure the staff knows all that.

**Mr. Hennum:** We're not looking at reducing services in any area.

**Mr. Bisson:** OK. That's good. I'm glad you answered that way. So I can expect to drive safe this winter; I like that.

Further to that point, then, one of the things I was also told by somebody out of the Gogama area is that you're apparently having some difficulty renewing the contract in the Gogama area, that the bids you got in are actually quite high. What I've been told, which I thought was kind of intriguing, is that the ministry is looking at taking back the responsibility for maintaining the Gogama area because the private contractors are coming in at a fairly high price. Is there any truth to that? This is not a fight or anything—

**Mr. Hennum:** It's true. We tender on the open market. Everybody knows what the prices are and so on, and it's true that we got really high prices. We refuse to be held for ransom out there, so we are looking for other ways of providing the same service as we had before. We did, in fact, explore various options, and I think that for this particular winter, we will run one of our own trucks with a hired contractor as an operator.

**Mr. Bisson:** So you're looking at taking back that area because of the high price of the bids that came in?

**Mr. Hennum:** I'm not taking back the area; I'm just running one truck. We have probably about 700 or 800

trucks out there, so one of the trucks will be a black and yellow truck.

**Mr. Bisson:** So it will be a Ministry of Transportation truck—

**Mr. Hennum:** A spare truck we keep in case something happens to the equipment out there.

**Mr. Bisson:** But there's more than one truck that services that area, no?

**Mr. Hennum:** Yes.

**Mr. Bisson:** So you're going to maintain at least the level of service they had last year.

**Mr. Hennum:** At each of the patrol yards, there will be several contractors providing service. It's not just one contractor per area; there may be several. It depends on how many trucks we require. We will put out the tender and take the best bids, and there may be two, three or four contractors who provide service at the same place.

*Interjection.*

**Mr. Bisson:** I'm sorry. I'm dealing with a crisis somewhere else at the same time. I really apologize. I've got a community that's being evacuated.

So the service in the Gogama area will at least be at the level it was last year?

**Mr. Hennum:** That's correct.

**Mr. Bisson:** OK.

That distracted me a little bit; I've got to deal with this crisis in a minute.

**The Chair:** If you'd like to stack your time—

**Mr. Bisson:** No, I have one last question and then I'm going to move out and deal with this.

My question—I guess it's more of a statement, and I'd just like to hear what the minister has to say. The previous government privatized by basically divesting the Ministry of Transportation of the winter road maintenance they used to do. The system was that about half the equipment was our equipment, owned and operated by MTO, and another part of it was basically contractors. It was a mix, the idea being that it kept the contractors in line. When the contractors came back too high, we had some ministry plows to put out there to put pressure on the contractors not to jack up the price. I'd like you to go back and get my Hansards from when they were in government and I predicted this. If we go down the road of basically saying we're going to have the private sector go by way of contract, at the end of the day, when the contractors have it all, they will grab us by the—I can't use the term here. They will basically try to get as much money as they can. So I will be more than pleased to assist you with anything to get the MTO to take back responsibility for maintaining our highways. I would like to know if you need help in that direction.

**Hon. Mr. Takhar:** Let me try to answer this question. I want to say that our maintenance standards are the highest among North American regions. Our roads are the safest. So there is some connection between the standards and the roads being safe. The roads couldn't be safe unless our standards were high.

We work very closely with our contractors. We monitor their work. We give them standards, be it their work

during the winter or after the winter. We also try to use the latest technology, the latest tools that are available, not only in North America but throughout the world, to make sure our roads are safe, and we will continue to do that.

**Mr. Bisson:** I guess philosophically I have a difference of opinion. I can tell you, as a driver on northern highways, that I don't blame the contractors so much. We've always had contractors in the system, as we well know. But we are seeing that basically we are being stranded on highways much more than we were in the past. If you were driving up and down Highway 17 or Highway 11, it was a pretty odd thing to have to stop overnight somewhere because of road conditions—if you had a really big snowstorm, maybe. But you didn't see it to the degree you have now, and the last time I checked, we're not getting any more snow than we did before.

I'll go deal with this, Chair, and I'll be right back.

**The Chair:** I would like to recognize Mr. McNeely.

**Mr. Phil McNeely (Ottawa—Orléans):** Thank you, Minister, for being here.

When I sat as a councillor for the city of Ottawa on the transportation committee, I always supported public transit, that culture of transit, knowing that we had to change things. We had one of the oldest bus fleets. I think all cities were the same: Through the 1990s there wasn't much support for public transit—there was very little support—and the buses became pretty decrepit. You have a policy for providing long-term, sustainable funding to replace, refurbish and expand municipal transit fleets. I'd just like to know a little bit more about that.

**Hon. Mr. Takhar:** Let me say first that what we're trying to do in this province is create a transit culture. We have a big congestion problem, and that can only be addressed in a couple of ways. One is to promote public transit, and the other is to create more capacity on the highways. Creating capacity on the highways takes a very long time. So we are trying to provide sustainable, long-term funding to the municipalities—and we are doing it after a decade of neglect, I may add. For the first time ever we are putting about \$900 million in the 2005-06 budget alone, which is a 60% increase over the previous year, to provide assistance for transit funding. That funding will sort of create a transit culture there.

In addition to that, we are also giving two cents of the gasoline tax—we are going to get to that. It's about \$156 million the first year, and it will go to about \$234 million, I think, in the second year and \$312 in the third year. That money can be used by the municipalities to actually buy new buses, refurbish old buses, add new routes and all that.

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In addition to that, we have other programs like the \$1 billion funding that we give to the TTC, along with the federal government and the municipality itself. We have done the same thing to GO Transit as well. What we need to do is to renew the fleets, add new routes and buy new buses. Only then can we encourage a public transit culture in this province.

The money that we are providing for the gas tax funding I think is being put to very good use. Most of the municipalities that I've talked to are using it for refurbishing their existing fleets. They're buying new buses, adding new routes and hiring new drivers. I think that will go a long way.

In addition to that, we are also trying to do a few other things. We want to make sure that public transit is encouraged in this province. One thing we are doing is bus bypass shoulders, so the buses can actually run in a different lane on the highway so people can see the difference it makes. In Bill 169, you will see that we are giving some preference to the drivers so they can change the lights as they go through on the streets. We will also allow the buses to run on the HOV lanes as well, so they can go from one place to another.

Providing long-term, sustainable funding to replace, refurbish and expand municipal transit fleets I am sure will go a long way to create a transit culture in this province and address some of the congestion that we have.

**Mr. McNeely:** In Orléans, we have a fairly direct route downtown. The public transit runs parallel to 174. In Orléans, we have the highest ridership of the whole city. We have, I believe, over 30% now, and it compares to Kanata, with 9%. I think if good public transit is provided, people will be there to use it.

I've also been an advocate of using our infrastructure better. One of the things that I could see is—the Department of National Defence is a big employer in Ottawa, and all the people arrive at 8:15 by bus. It would be very nice if our big employers, especially the federal government, would stagger their employment hours and allow the buses to do maybe three runs instead of two. It would really help out. I don't think there has been enough co-operation between employers, and especially the federal government. They promote public transit and promote better use of our infrastructure. They could do a lot more, I think.

The other thing about area is that we're basically a bedroom community. Balanced development has been in our official plan since the old region was there. It was stressed in our new official plan in 2002. We're a bedroom community. We don't have the jobs. New jobs are created downtown. So balanced development is something that we've looked at as well, but it's only in the official plan; it's not in the actions of our city.

Home workstations: I think we should be going in that direction. With the price of gas and with the long delays, we should be looking at getting more people working at home. I think it's practical. A lot of companies have done it and have shown great results. A lot of areas in the US are further ahead than Canada. I understand that in Alberta they're going to have a special program at the university—a chair, I believe—for these types of sustainable ideas.

Carpooling has been talked about, but it's good to see that your ministry and our government have acted. We've



got the HOV lanes coming up. That's going to be constructed in Kanata and that's great.

I think those things are going ahead, but can you tell me more? Of those ideas, which ones are you promoting in the ministry now?

**Hon. Mr. Takhar:** Let me give an idea to you about what is happening in Ottawa as well. The gas tax funding: The first year brought about \$18.8 million. By 2007, they will get about \$85 million more than they had ever before. But the city of Ottawa has done a good job in terms of public transit. When I go to Ottawa, I see the buses lined up. People are taking buses from the city of Ottawa; in fact, very few people bring cars into the city. That's the kind of culture we need to create everywhere else as well.

They also have \$600 million for the O-Train project that we have committed to the city of Ottawa to further promote public transit there.

But I think it's the sum of things that we need to do. I always say it's the chicken-and-egg situation. If you don't have service, people can't take public transit; but you can't have public transit if people don't take it. You have to start somewhere.

I think that our gas tax project is the right way to do it. It allows municipalities who have existing transit fleets to renew their fleets, add more buses and add more drivers. Gradually, we have very clear targets established with the city and have said, "You have to use this money to increase ridership."

And we have seen results. Our ridership on GO Transit is up; our ridership on the TTC is up. It's up in Mississauga; it's up in Ottawa; it's up in Brampton. You can see everywhere that we are succeeding very much in our efforts.

In the city of Ottawa, their goal is to increase ridership by 30% by 2021. I'm sure that the kinds of investments we are making in their area will absolutely make that happen. We look forward to working with that city.

It's not really one item that can make the difference; it's a number of items together that make the difference. Sustainable funding goes a long way to make this happen, and the gas tax funding is a step in the right direction, along with the funding of the major projects.

**Mr. McNeely:** I'll change the subject now. Last Friday, I was in St. Peter's school, and one of the young fellows said, "Why are the insurance rates so high for us, for the males?" I came back with the information that we have: Insurance companies set these rates and young males are terrible drivers.

Bill 73 was passed. I just wondered, why did you restrict the number of teenagers who can accompany the G2 teenaged driver? I think that's so important, and I just want to get that information out.

**Hon. Mr. Takhar:** We wanted to make sure that our roads are safe. Sometimes the teenagers end up in accidents on our roads, and that's one of the reasons their insurance goes up. So what we have done is made sure that in the first six months, the teenager can carry only one passenger from midnight to 5 a.m. After that, they

can carry three passengers. Sometimes what happens is that teenagers get in the car and start talking to each other, and they are not experienced drivers and that leads to the accident and can lead to the increase in insurance costs as well.

I want to make a pitch here for public transit. We want to encourage people to take public transit. That will more or less control their insurance costs as well and help us move toward our ridership targets too.

**Mr. McNeely:** Chair, how much more time?

**The Chair:** About five minutes.

**Mr. McNeely:** I'd like to give the other five minutes to Mr. Lalonde.

**The Chair:** Delighted to hear from Mr. Lalonde.

**Mr. Jean-Marc Lalonde (Glengarry-Prescott-Russell):** Thank you. Through you, Mr. Chairman, to the minister: Lately there have been several reports in the news about unsafe U-Haul rental trucks. As we know, according to Bill 169, drivers could become responsible if their trucks are declared unsafe on the road. The majority of those trucks do not carry an Ontario licence. What is your ministry doing to make sure these are not operated in Ontario?

**Hon. Mr. Takhar:** This issue, to me—and you have seen my statements to this effect—is about public safety and also about consumer protection. This issue came to my attention in the summer and we acted very quickly and decisively. We may be the only province in this country to really act on this issue. What I wanted to make sure in my own head was if this issue is just about one company or if this issue is widespread in the industry. I wanted to know that, so I immediately ordered the inspections of the rental truck industry, and we found out that the problem was a little more widespread than what we were led to believe in the beginning by the reports.

So we worked with those companies, and some of those companies corrected whatever their maintenance issues were and brought their equipment up to standard, but there was one company who could not bring their equipment up to standard. I have ordered my ministry to work with them and do more inspections; that's number one. Number two is to make sure that their maintenance standards are high and that they are actually doing what they said they were going to do. Number three, the ministry has contacted the licensing offices in the US, and we have come to some arrangement that whenever we take the plates off any truck, we can inform the ministry responsible in Arizona and tell them that these are the VINs for them. They will then more or less enter that into the computer, and the plates cannot be replaced unless we tell them that the equipment has come up to the standard and safety is being maintained.

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If you really want to know exactly what we have done, we are doing more inspections; we are working with the companies to make sure their maintenance procedures are up to standard and that they are following their maintenance standards; and third, we are working with the ministry or department of transportation in Arizona to tell them



exactly if the trucks are unsafe, and we are taking plates so that they should not be renewed again.

We will continue to work with them to make sure that the trucks on the roads are safe. If they are not safe, then we will take some other measures to make sure that this gets done, and we will continue to audit them on a regular basis.

**Mr. Lalonde:** Even though they don't carry Ontario plates, we could still remove their plates?

**Hon. Mr. Takhar:** Absolutely. I think the OPP has been doing that; they remove their plates. But what I heard was that somehow those plates were being replaced by the department of transportation in Arizona—or somebody did it. We have now notified them that this is not the right thing to do and that they shouldn't do it unless we authorize them to renew their plates again.

**Mr. Lalonde:** I have another question. Last week our colleague from Timmins—James Bay asked a question, and we told him that we would get back to him this week. Does MTO have a multi-year capital plan for remote airports?

**Hon. Mr. Takhar:** Yes, we have capital expenditures for the airports. As you know, there are 29 remote airports in Ontario, and we understand that we need to maintain those airports on a regular basis in the northern communities, because sometimes that's the only way they can get in and out of there. The safety of an airport that we maintain is our number one priority. We have capital expenditures that we allocate to those airports, and we try to do the work that is necessary on a regular basis. We have given information to that effect to Mr. Bisson.

**Mr. Lalonde:** Thank you very much, Minister.

**The Chair:** I'm going to say now we've got 10 minutes per rotation. We've got about half an hour left, and Mr. Bisson has stacked about six minutes. If I have everyone's concurrence, then I'll do 10-minute rotations.

**Mr. Dunlop:** Sure.

**The Chair:** Please proceed.

**Mr. Dunlop:** Starting with me, I have 10 minutes?

**The Chair:** Absolutely.

**Mr. Dunlop:** Thank you. You mentioned the previous government a couple of times in not the nicest manner, Mr. Minister. There are a few programs that I wanted to ask you about, whether you support them or whether you would eliminate them. The one that comes to my mind is that the previous government cancelled photo radar. I'm curious whether or not you had any intentions in your ministry—if you're investigating it at all or looking at bringing back photo radar for highway traffic speeds etc.

**Hon. Mr. Takhar:** Let me just say this: Safety is the number one issue for me. We need to maintain safety on our roads. But you need to know that most of the accidents really happen on municipal roads; they don't happen on highways. We have already given red light cameras to municipalities; we have given them the authority to do it. What we also said to them is that if they make a compelling case for photo radar, we will

look into that. We have no plans to introduce photo radar at this point on our provincial highways.

I also have looked at the photo radar that other countries have used, and I have come to the conclusion that our roads are way safer than theirs, even in spite of the fact that they have photo radar on the highways. There are one or two countries that have photo radar that have maybe a slightly better record than us, but not much better. Then there are other countries—I can give you tons of examples—that have photo radar and their fatality rates are way higher than ours. So I think it's not just the photo radar. I mean, the end objective is to keep our roads safer, and the roads will only become safer if you take a lot of other measures along with it. One of those measures is that you want to make sure your drivers are trained well before they get on to the roads, and that you also maintain your roads in a good condition, and that you do so in the summer and winter seasons.

**Mr. Dunlop:** Of course our government, the previous government, felt that it didn't really target aggressive drivers. You could be driving down the road impaired and not be speeding, and the guy ahead of you could be speeding and he gets charged, when you're drunk and you move on. That was one of the key areas. I just want to point that out, that it was something that we think you agree the government did right.

**Hon. Mr. Takhar:** Listen, anything that works to make our roads safer, we agree with those things, and anything we can do to improve it, we will continue to do that.

**Mr. Dunlop:** A couple of other points—I've only got a couple of minutes left.

I was actually in municipal politics when the previous government did what we would have called downloaded—local services realignment—a number of provincial highways into the county roads or regional road systems. I know that at that time your party objected to local services realignment, and you objected to those roads going over to counties and regions. My question today is, have you reconsidered those decisions, and are you actually looking at uploading county roads into the provincial system today?

**Hon. Mr. Takhar:** I can gather from your question that you don't agree with the downloading of those roads to the municipalities; that's what I read into your question. Let me say, from my point of view, my first priority is to maintain the roads that the province currently owns and keep them in good shape so that safety is maintained on those roads. That is my number one priority.

The other is to give municipalities sustainable funding so that they can maintain their infrastructure. That's what our government is doing. What we're doing right now is that we have increased our funding for highways by 20%, we have increased our transit funding by about 60% this year, and we are giving sustainable funding in terms of gas tax to the municipalities so that they can promote their public transit projects. We also have \$900 million in COMRIF funding that we are giving to the municipalities. We are providing them with sustainable funding so

they can address some of the needs that maybe were not addressed before.

**Mr. Dunlop:** Minister, how much money would the county of Simcoe receive through the gas tax?

**Hon. Mr. Takhar:** I don't have that here. We can find that out for you.

**The Chair:** It's on its way.

**Hon. Mr. Takhar:** Bruce can give you that number.

**Mr. Dunlop:** I'm just curious about that. Maybe while it's on its way, one other quick question was about the maintenance of the roads. I see that most of the contracts are expiring in 2011, 2012, 2013, and even some up to 2014. I know that my colleague from Timmins—James Bay does not agree with private contractors maintaining the roads. I definitely disagree with him on that. I think they do an excellent job. I think I put that on the record in the previous meeting last week. I take it that your ministry, and you, Minister, in particular, are satisfied with how these private contractors maintain the roads for public safety. I think they do a good job. Do you have any problems with them?

**Hon. Mr. Takhar:** We feel our roads are in very good condition. The contractors do a great job, and we constantly try to challenge them to make it even better. From what I have seen so far, I think the contractors are doing a good job, and we will continue to work with them to make it even better.

**Mr. Dunlop:** Thank you very much. I appreciate hearing that answer, because we've seen some movement for—

**Hon. Mr. Takhar:** Can I just give you the—Simcoe doesn't get gas tax, because they have no transit system.

**Mr. Dunlop:** Oh, I knew that.

*Interjections.*

**Hon. Mr. Takhar:** Barrie gets about \$1.27 million, and Orillia I guess about \$271,000.

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**Mr. Dunlop:** They're not part of the county of Simcoe. They're another tier of municipality. I was curious if you had any plans, though, and I think I brought this up in the House before, that I felt the gas tax is being distributed in an unfair manner. Everybody pays toward the gas tax, and municipalities like the county of Simcoe and the member municipalities receive none of the money. So I want to put that on the record again. I've got to defend my municipalities. I don't think it's fair that the city of Toronto gets such a huge portion of it and these rural municipalities that all buy gas get none of it. But I do appreciate that Barrie and Orillia get some of the money.

**Hon. Mr. Takhar:** You're going to give me the opportunity to answer this, right?

**Mr. Dunlop:** Sure.

**Hon. Mr. Takhar:** The gas tax funding was meant to promote public transit, and any municipalities that want to get into the transit business will get gas tax funding, but in addition, we are giving the COMRIF funding to the municipalities that need to do the other infrastructure.

**Mr. Dunlop:** Do I have any time left?

**The Chair:** You have another three minutes. Perhaps, Minister, if you could table the complete list of municipalities with gas tax income for the first year of the program, we'd appreciate that.

**Hon. Mr. Takhar:** Yes.

**The Chair:** Thank you.

**Mr. Dunlop:** I guess the other positive note—I'm trying to make positive and negative notes here today—is that I do appreciate the most recent bill that's been passed with child safety. I know there were times in the House where I questioned you on it and had to put on some kind of a negative spin, but I will say, I've got three little granddaughters, and my daughters and her friends have so many friends running around in fairly speedy vehicles today. I think the 80-pound limit is very positive for child safety in our province.

I just want to pass it on, because it seems that each decade we make our school buses and our vehicles safer for our children, and of course our children are our future. I know I don't always compliment you on a lot of things you're doing, but I do want to say that that's one part of the bill that I really do appreciate, that it was put into place. I hope it does save lives, and young lives, down the road. So I'll sum it up with that.

**The Chair:** Thank you very much. I'd now like to recognize Mr. Bisson. You have 16 minutes.

**Mr. Bisson:** Thank you very much, Chair, and again, I thank the committee for their indulgence in dealing with everything that's going on today.

I'm just looking, Minister—I went back to get my laptop, because everything I need is in it. It's from the meeting I had with the union that represents the truck inspectors. What they gave me at the time was a document dated October 5, 2005, questions and answers for RUS staff: strengthening commercial vehicle enforcement.

A little while ago, when we were having our exchange, you were talking about how it was not your plan to reduce the number of inspectors within the Ministry of Transportation. But I'm looking at question 4 on your own ministry document, and it says: "Why is the ministry refocusing the program from primary on-road inspection activities to a more balanced on-road/off-road approach?"

I understand where you're going to go with it, but what it says in the document is, "Empirical evidence and success realized by other jurisdictions" etc. and all these other places "show that significant gains can be realized by refocusing resources from primary on-road inspection activities" and basically doing the audit approach. So I take it your ministry decided not to go there?

**Hon. Mr. Takhar:** No, I did not say that. What I said was that the number of inspectors on the road right now has more or less stayed the same for the last few years, but we are going to look at different ways of doing things, which means we want to put more effort on the front end, rather than on the back end, which means we might have to reallocate the sources. But we have not exactly decided how we're going to do it. The number of inspections that we will do and the effort that we will put in to



promote safety for our truckers will not decrease; it will stay the same.

**Mr. Bisson:** See, I guess the issue for me is that there's a part of what you said that I agree with, but there's a part that I'm a little bit troubled with. I agree there has to be a balanced approach. You can't have inspections without audits. Who's going to argue that? In fact, there probably is an argument that we need to do a better job on audits to make sure that at the front end, as you say, we don't end up in a situation of having people out there who are not compliant with the regulations. I'm just looking at your balance, and what it seems to say—and I guess that's why the union came to see me—is that the focus on putting people in the front end will basically lessen the need to have people in the back end, which they read as having less truck inspectors. I guess I'm asking you if you can speak to that. Will this result in a diminished number of inspectors over the next year or two as you implement more front-end services?

**Hon. Mr. Takhar:** I don't know whether I'm making myself clear or not, but I'm saying that we need to have a balanced approach.

**Mr. Bisson:** No. You're very clear, Minister.

**Hon. Mr. Takhar:** We have to have a balanced approach, which means we need to do front-end audits and we also need to do inspections. We're going to take our resources and ask, "How much do we need to put on the front-end resources and how much are we going to do on inspections?" But the end impact of all that is to make sure that our roads are safe, that the trucks on the roads are safe. That is the objective. Why do we do inspections? To make sure that the trucks that go on the road are safe. How can we do it? We can either inspect them on the roads or we can do an audit before. But our research shows that the front end is way more effective, and we will continue to do it.

**Mr. Bisson:** Listen, I'm not arguing with you that we don't have to do audits. I agree with you that we need to put an emphasis on that. I agree with you that we probably have to do a better job. I've got no problem with what you're saying. All I'm asking is, overall, in the end, should the truck inspectors worry that this means less truck inspectors? That's the only question I'm asking you.

**Hon. Mr. Takhar:** I think my issue is, and what I need to ask is, are our roads safer after we rejig or re-focus our program, and that's what I'm interested in.

**Mr. Bisson:** I think we're all interested in the same thing. I don't think you have a monopoly on wanting to make roads safer; I think everybody wants to go there. But my question is—and if you don't want to answer it, just say you won't answer it and I'll move on—are we expecting less truck inspectors as a result of putting more money on the front end, on the audits?

**Hon. Mr. Takhar:** I said this program is under review, and we have made no decisions. So there is no answer that I can give to you at this point.

**Mr. Bisson:** OK. All right.

I wonder if the ministry can provide me with—and this is something I'm asking through the Chair—the winter road maintenance budgets, district by district, from 2004, 2005 and 2006. You don't have to speak to that, unless you have something you want to say, please.

**Hon. Mr. Takhar:** We will be more than pleased to provide you with that.

**Mr. Bisson:** All right. If we can get that, it would be helpful.

I want to go back to an issue that I raised with you back when we met last week, and that is the whole issue of people losing their licences as a result of being reported, for lack of a better word, by either an emergency worker or a doctor. Do you have anything to add to that since our last meeting? Have you had a chance to look at that at all?

**Hon. Mr. Takhar:** I have staff here who can.

**Mr. Bisson:** Yay. I've got a whole bunch of cases here. I'll give you my laptop.

**Mr. Bartucci:** If you have specific cases on the release of the individuals, we can certainly deal with them one-off. I guess just generally, as I described in response to an earlier question, we have a process where, by legislation, physicians are obliged to report when anyone over the age of 16 has a condition that may make them an unsafe driver. As a result of that—I think you had asked and we provided information on the 21,000 on average that we get a year. When our staff do get that, they triage them to determine what the nature of the information is and what the next steps should be. They refer to guidelines from the Canadian Medical Association and the Canadian Council of Motor Transport Administrators, which together have developed very specific criteria for the type of diagnosis and the seriousness of that relative to driving. As a result of that, if more information is needed, we'll contact the physician and ask for a specialist's report. If no further information is needed, then within a week our staff can deal with the assessment and make a determination as to whether a suspension is warranted or not. In those complex issues where we need further information, we will assign those to our medical advisory committee, which is a committee, as you know, of specialists who will deal with those. So that's the process.

We've tried to constrain or contract the time down to no more than five weeks. I guess the important thing to stress is that often the delay is in the elapsed time, where we might need some reports—a stress test, for example, for a heart patient, or some other information from a specialist. So the time is the time necessary to correspond with physicians to get the necessary information in order to provide more information to us so that we can make a decision in the interests of road safety and the driver. At the outside, those are the timelines. It's not our staff sitting on the file; it's our staff waiting for information from the physician and whatnot.

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**Mr. Bisson:** I went back and talked to my staff. Before I go there, just to get a bit of a sense, I'm looking



at, as we call them, our customer service files within our database. By looking at the numbers, we've had 42 calls in the last 12 months on this particular issue. Some of them we managed to resolve fairly easily; others are still suspended. I see a whole bunch of these that are. To me—and I think I had some acknowledgement from the government side—it seems to have become more and more of an issue because the regulations were changed, where doctors are being forced to report where they weren't before.

There are two or three things that I want to raise with you, and then we can get into maybe some of the specifics. One is that the medical community, as I told you the other day, is basically saying, "Listen, we're being put in a spot that we don't want to be in." On the other hand, I put on my legislator's hat and say that if there's anybody unsafe on the road, I want to make sure that those people are not on the road endangering others, so don't think for a second I'm asking that we put dangerous drivers on the road. But what the doctors are complaining about is that they have to report everything, and once it gets into the system, you lose your licence, and sometimes it is quite an ordeal to get it out. I was talking to my staff. I just had one, a Mr. Gemme up in Timmins. We managed to get that one resolved through your MPP desk—I forget her name.

**Mr. Bartucci:** Tersigni.

**Mr. Bisson:** Tersigni, yes. She's been very helpful. We basically managed to get that one resolved, but it took a huge amount of work. We have a couple of others which I'm going to give you a little bit later to follow up on. So the first complaint is that doctors are saying, "We're forced to report. Once we do report, if the report comes in and the MTO thinks there is a reason to suspend, they suspend, but then there's a very long process to get it back." People are frustrated by that. That's the first thing.

The second thing is that for those that take over a year, they lose their class G licence; they have to start all over again. That's a real, real problem, because they basically get a restricted licence. What do you do if you live in rural Ontario, around Prescott–Russell, or in northern Ontario or wherever it might be, and you end up getting a licence that doesn't allow you to get on Highway 400 because it's a graduated licence and you can't drive at night, or whatever the restriction might be? Again, I'm not opposed to a graduated driver's licence system. I think that's a good idea. But these are people who have been driving for years and years and years, and they're having to go back to phase 1 because they've been suspended for a year. That's the second complaint that we're getting, on top of the length of time that it's taking for people to get through the system.

Maybe working in reverse order, is there any chance that your ministry could look at making sure that if somebody is suspended and they lose that licence for over a year, they don't need to go back through the graduated system if they've already been issued a full licence?

**Hon. Mr. Takhar:** Let me say this: I think we always need to review our system to see the effectiveness of the system, so I will ask the staff to look into this and see if it makes sense to do that. I'm also sure that my colleagues here who are doctors as well will give me some recommendations on how to effectively improve the system, and we'll take that into consideration. If you have any other suggestions, please feel free to pass them on to us, and we'll look into them.

**Mr. Bisson:** I would ask you—it's something to look at. It just seems to me, and I think most members will agree—you're 40, 50, 60 years old, and you happen to walk into the doctor's office because you're feeling dizzy. It might be that you're starting to have blood sugar problems, or maybe you've got high blood pressure problems or God knows what. But if the form goes in wrong, all of a sudden it takes a long time to get your licence back. First of all, losing your licence is frustrating, but having to go through the graduated system again seems to be a bit onerous. I appreciate your willingness to take a look at that, and we'll certainly follow up by letter.

**Hon. Mr. Takhar:** I understand the inconvenience it causes, and I think that if there are suitable ways to improve it, we will do it. But I think, from my point of view, doctors are in the best position to tell us whether the person should have a licence or not. I'm not sure who else can tell us. But I will be prepared to listen to my colleagues here who are doctors as well.

**Mr. Bisson:** Again, I'm not going to get into that whole debate, but I think you have undertaken to take a look at this, and that's good enough for me.

The other thing I wanted to raise was testing and assessment, a huge problem for us. I don't know, Monsieur Lalonde, if you have the same problem in Prescott–Russell, but in our area, for example, I've got one individual—and I've gone back and checked; I've got three others, so a total of four—trying to get their driver's licence back. The specialists have said, "Yes, you should be able to drive," but they're not accepting the specialist who comes to Timmins. They're saying, "You have to go to an accredited place to get tested," which happens to be London, Ontario. Well, you know, it's kind of hard to get from Timmins to London, especially if you don't have a heck of a lot of money and you don't have a driver's licence, so you can't drive there yourself, and your wife doesn't drive, or vice versa, the husband doesn't drive.

Is there any plan by the ministry to try to find some way to either use the specialists' reports—for example, we have Dr. Meloff, a neurologist, who comes to Timmins. Are you able to change it so that at least they can rely on the report of the neurologist, who is the attending specialist who deals with the individual, so they don't have to send them out for additional tests which could be quite expensive and difficult to do?

**Hon. Mr. Takhar:** I'm going to ask the staff to answer this.

**Mr. Bartucci:** We'll have to look into that. I believe the tests are those that are prescribed by the standards to

verify the condition. That is set by the Canadian Medical Association and we adhere to it, but we will look to see if there's any discretion within those standards to allow us to vary from them. The concern we have if we varied from the Canadian and international standards is that our drivers may not be recognized in other jurisdictions. That's the only caution. But we will certainly look into some accommodation or some opportunity to accommodate people who might not be as close to the centres as others are.

**Mr. Bisson:** I'll give you one, and I'll follow up by letter. I've got a Mr. Willie Cauchon. We have a waiver from him and a driver's licence I can provide you with. He's one of these guys who have done all the tests, and he's still hung up. There's no reason not to give him back his licence. He's done the assessment. All the work has been done, but for some reason it's sitting at MTO and

we can't seem to get it out. This guy is without a licence. I'll follow up on that.

With that, I'm sorry, Chair, but I'm going to have to return to the other disaster that I'm dealing with.

**The Acting Chair (Mr. John Milloy):** I was just about to tell you that you have about 45 seconds.

**Mr. Bisson:** Thank you.

**Hon. Mr. Takhar:** Can I just answer one question before you go? The winter maintenance expenditures by region were already given to you in the package today.

**Mr. Bisson:** Oh, were they? OK. I thought I asked for them last week. Thank you.

**The Acting Chair:** Thank you very much. As there's just a minute or two left before 6 o'clock, we'll adjourn the committee to meet tomorrow at 3:30 or at the end of routine proceedings. This committee stands adjourned.

*The committee adjourned at 1756.*

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## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 26 October 2005

# Journal des débats (Hansard)

Mercredi 26 octobre 2005

## Standing committee on estimates

Ministry of Transportation

## Comité permanent des budgets des dépenses

Ministère des Transports

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 26 October 2005

Mercredi 26 octobre 2005

*The committee met at 1532 in room 228.*

## MINISTRY OF TRANSPORTATION

**The Chair (Mr. Cameron Jackson):** I call to order the standing committee on estimates. We're welcoming the Honourable Harinder Takhar. We have about three hours and 30 minutes remaining to complete the estimates of the Ministry of Transportation. When we last left off, we had a brief period of time to allocate to the government. I would like to recognize Mr. Milloy.

**Mr. John Milloy (Kitchener Centre):** Minister, I'm going to do as so many other members in this committee have: go to my home community and talk about some of the transportation needs there in terms of infrastructure and capital.

Earlier this year, the community was pleased when an announcement was made that we're proceeding with Highway 8—Highway 8 being the main artery between the 401 and the heart of Kitchener, and then through other connecting roadways on up until Waterloo. That's the main thoroughfare. What we've been seeing in the last little while is increasing congestion on the highway, and certainly more and more frustration on the part of users trying to get out to the 401. I just thought I'd start with the good news side of the equation, and ask how you foresee the progress going on the expansion of Highway 8 and the details of what was announced.

**Hon. Harinder S. Takhar (Minister of Transportation):** Thank you very much for asking the question. I am sure you know that roughly 90,000 vehicles pass per day on Highway 8 between Fairway Road and King Street. The current accident ratio is about one per cent. The government is very dedicated to a strong and efficient transportation infrastructure to keep our economy growing, and that's why we are putting roughly about \$1.2 billion into the highway construction and refurbishment. As was said, in the past, another ministry completed the reconstruction of Highway 8 and the Conestoga Parkway interchange, at an investment of about \$29 million at that time.

The ministry is also completing the design and property acquisition for the next phase of construction dividing Highway 8 from four to eight lanes from Fergus Avenue south to just north of the Grand River. This project will be prioritized early in 2005, and when the province unveils its 10-year plan, I think then it will

become clear when we can do it. But we are absolutely committed to moving ahead with that.

Did you ask on Highway 7 as well?

**Mr. Milloy:** No. I wanted to move numerically, I guess, to the other side of the community, and that would be the east link artery between Waterloo region and Guelph, Highway 7. There are two major issues with Highway 7, and the first is congestion. Although it's a relatively short distance between the two communities through Kitchener, sort of my riding, and on into Guelph, at the same time the congestion has been quite overwhelming.

Perhaps the bigger concern has been the safety issue, because you've seen a number of really horrific stories of accidents and individuals losing their lives on that highway. I realize it's a major investment by the government, and at the same time there has been some work done on the environmental side. So again, if you can update us on where Highway 7 is in terms of the work that's been done and how you see it moving in the future.

**Hon. Mr. Takhar:** I am sure you are aware that we had some public consultations, and after public consultation we have recommended a new route for Highway 7 to address the capacity operations and some of the safety concerns that you have raised.

This is how the recommended route looks: It provides a new road, Highway 7, from Kitchener to Guelph. It will be a four-lane divided freeway. It's located on the north of existing Highway 7. The proposed route avoids sensitive wetland areas and will not cause any change in access for local business.

The six area municipalities have passed resolutions supporting this proposed route, and we have submitted the environmental assessment amendment for approval to the Ministry of the Environment for this. We are looking forward to that. I think the total project is about \$150 million in scope. Once the environmental assessment is done, then we will know when we can move ahead with that.

**Mr. Milloy:** I take it at the moment your list of requests is far away from any of the resources you have. How do you foresee some of the highway projects unfolding over the next few years in terms of funding priorities?

**Hon. Mr. Takhar:** I think I have said this before too. I think typical highway construction takes about 10 years from when we identify exactly what the project should



look like, do the environmental study, do the design work, and then move ahead with the construction of the project. But projects like Highways 7 and 8, it seems to me, are already moving ahead on our priority list. Once we know exactly how much funding is available, we will assign the priority to this. Based on what we have seen so far—the priorities, the accident and safety issues involving these projects—we need to move ahead with those.

**Mr. Milloy:** Thank you. I'm going to move off highways for a second. Perhaps not a parochial issue, but one that's near and dear to my heart, is bicycle safety. As you know, I put forward a private member's bill last November, Bill 129, which dealt with the issue of mandatory helmet safety on our highways. As you know, a highway, under the Highway Traffic Act, is any public roadway, so obviously not just major thoroughfares but also city streets, in a sense, or community streets.

1540

What my bill did was address a number of things. First of all, it would have had the effect of removing the regulation which now exists in the Highway Traffic Act—well, just to start at the beginning, several years ago the government passed a bill, another private member's bill, which made it mandatory for all cyclists to wear helmets. The government of the day passed a regulation which exempted those over the age of 18. My bill would have taken away from the government the right to make that sort of regulation and made it mandatory for everyone, including those over the age of 18, to wear a helmet. At the same time, it would have extended it to skateboarders and also to rollerbladers. This bill, like so many private members' bills, although it received support in the Legislature, unfortunately died with the prorogation of the House.

I guess I'm just asking you about your views on bicycle safety and helmets—again, obviously, I'm a very strong advocate of it—and how you see the ministry addressing some of these concerns.

**Hon. Mr. Takhar:** Let me start by saying that I really appreciate your efforts on this front, especially to promote public safety for everyone.

The bill that you introduced last session we support in principle. In fact, what I really want to do is encourage all Ontarians to wear a helmet when they are riding bikes, scooters or even when they're using inline skates. Currently, as you are aware, cyclists under the age of 18 are required to wear a bicycle helmet when cycling on a public road, and parents are responsible for ensuring that children under 16 wear a helmet when cycling. This legislation came into effect October 1, 1995.

Whether wearing a helmet works: I think there's overwhelming research that indicates that it does. A 1989 study conducted by the Harvard Medical Center, frequently cited by helmet advocates, found that when you wear a helmet, it decreases the risk by about 85% for a head injury and 88% for a brain injury. Like many pieces of legislation, Bill 129, as it was introduced last session, would definitely benefit from some of the amendments.

In principle, we are in support of the bill that you introduced because it promotes safety, and anything to do with safety we want to support. I think maybe there are some issues with the wording of the bill, but we will work with you to change it so that it doesn't create confusion. We will move ahead and try to work with you to make this bill more workable.

**Mr. Milloy:** Thank you. Do I have—

**The Chair:** You've got about a minute.

**Mr. Milloy:** Do you want to pick up, Phil, or should we just—

**Mr. Phil McNeely (Ottawa-Orléans):** It may be our last opportunity. Would you clarify how much time we have before 6?

**The Chair:** If you need a little more time, you go ahead and take it, but I'm working on finishing today by 6.

**Mr. McNeely:** If I could just have three minutes, that would be fine.

**The Chair:** Please feel free.

**Mr. McNeely:** Minister, one of the issues that's going to be fairly huge for my riding of Ottawa-Orléans—it's been under discussion since probably the 1970s—is a bridge between Quebec and Ontario. The present makeup of the study team is basically coming out of NCC, and we're not hearing very much. NCC doesn't normally have an open-door policy to getting information out, and Mr. Beaudry hasn't approached me or the people of Orléans about this. It's critical to us, because we have the problems of the split, as I've brought up with you before. We have 100,000 people, and most of our jobs are to the west. So this bridge, no matter where it goes—whether it goes at the Kettle Island location, which is Aviation Parkway, and the rate comes on at the split; whether it goes to McLaurin Bay, which is just in the greenbelt halfway to Jeanne d'Arc; or whether it goes below the beach at Petrie Island—is going to create a lot of problems for the people of Orléans, and it's going to be a big issue for me to deal with. Presently, I think it's being driven by the NCC, with the chair of the federal caucus. I am just concerned. Committees are being set up; I don't know what stage they're at. There's a steering committee, an administrative committee, a technical committee and a community committee, and I don't know what stage those are at.

I would just ask you or your staff today—I know it's early—to tell me, as the member for Ottawa-Orléans, so I can tell the 100,000 people in Orléans, what kind of interaction there will be with our community in the initial stages when these committees are being set up. I think it's fundamental, if we're going to be the most impacted—and we will—that proper information and dialogue is set up with our community. How will this be organized? It's just in the early stages—it may be too early to answer that—but I would like it in the record today. If the response has to come in two or three months, that's fine.

**Hon. Mr. Takhar:** Let me just start by saying that we absolutely support the environmental assessment study

for this project. That's why we have provided \$1 million, along with other funding partners like the government of Quebec and the NCC. But the NCC is really the one that is coordinating this project.

Let me tell you the information that I have. On September 29, the NCC posted the request for pre-qualification for the study. That's the information we have. So they are moving ahead with this.

I hear your concerns about what the committee structure is and how that will work. I will ask staff to work with the NCC to get that information for you and pass it on to you as soon as it's available. But from our point of view, we want to make sure that the environmental study is completed and there is good infrastructure available for us to move ahead with this project in the Ottawa area.

**Mr. McNeely:** I understand the environmental assessment process. I've been through many projects on this. I just don't know what stage it's at now. I have a commitment, then, from the ministry and staff that there will be consultation early on, at the stage the committees are being set up, with the community of Orléans?

**Hon. Mr. Takhar:** I think what I'm saying is that the stage the project is at is that the request for qualification has been asked for by the NCC. The NCC is basically the coordinator for this project, so I will ask the ministry to work with the NCC to get the information when the committees have to be organized so that we can keep you informed on this.

**Mr. McNeely:** Thank you very much. That's what I wanted.

**The Chair:** I would now like to recognize Mr. O'Toole for the next 30 minutes.

**Mr. John O'Toole (Durham):** Thank you, Minister. It's a pleasure to be here. I understand that this is estimates, which is a review of ministry spending. Certainly there are questions on the paper that you're responding to, but on the bill before the Legislature, which will be debated tonight on third reading, Bill 169, you understand that that bill was initially introduced when we were government so there is much of the bill that we agree with.

There are a couple of sections on the record officially that we have some difficulty with. One is the taxi and airport limousine issue. We will not be able to support the bill unless we go into committee of the whole and/or you indicate a willingness to set that section aside, with the hope that it's dealt with under the Municipal Act. That's our official position. As the critic, I'm telling you that. We are prepared to work with you on that. I want that to be a signal as well.

The other part that we're having some difficulty with—we'll have to trust that the independent audit is done with the driver training component of Bill 169. The long-standing struggle—conflict, if you will—with the Ontario Safety League—I know they're out of the equation now, but the Driving School Association of Ontario needs to be consulted. I have evidence here that I'd like to submit that the ministry was closely engaged in the operational part of ensuring high-quality training

and that results were being achieved. That memo is dated November 27, 2001. It's to the director of licensing from the Ontario Safety League. Basically, they were just taking their information and cancelling the licence for those many driving schools that are small businesses, as the gateway to proper education. The record states very clearly that in many cases the certificates that qualify them for insurance reductions are just basically being given away.

You might disagree. I understand. They're \$4.25 each to get some. I just want that on the record. It will be a thing we'll be pointing to. We're looking for results. Safety on our roads is extremely important.

1550

The second item I want to speak about for a moment, and some of this will surface as questions, is I'm really quite pleased to have the privilege of being the critic—not of you personally; it has nothing to do with that—on transportation. It's so important to our economy and to our standard of living. I think we all agree about the importance of transportation.

I've been holding discussions around the province. I was flattered to be picked up five times in the past two weeks on these consultations on gridlock. I received the editorial of the week in a widely circulated paper, which highlights—independently of me, this is the editor of the Metroland newspapers saying that the long-term goal of bringing GO Transit to Bowmanville will help ease traffic on the 401. "The stress on Hwy. 401 can also be relieved to a great extent by putting a push on" the 407 extension east "all the way to Hwy. 35-115. This means that 401-407 links are required at Lakeridge and Courtice roads"—I call it Hancock Road—and also an increase to the width of the 401 east to Oshawa. "Mr. O'Toole's committee will take these suggestions and others to Queen's Park. Let's hope the Minister of Transport and the Premier are listening." There you have it from the editor. It's not from me; I didn't write this. It's extremely important.

I appeared this week, minister, before the mayor and council of Scugog, as well as the mayor and council of Clarington, and asked them the same questions. I'm going to do that at as many councils as I can: solicit from them real, grassroots input. These people are the people who really work hard to make sure our economy in Ontario and their local communities fit together and work.

It's in that context that I put before you a correspondence from October 19 from Durham region council, and to you personally. It's a resolution on the record of October 19, of which you're well-copied, so it's independent. It's Roger Anderson, who's pretty much aware of Ontario in his role as the chair of the region of Durham, as well as AMO. I'll just read the concluding remark:

"Whereas the continual delays in ... the EA and the construction of the Highway 407 east extension continue to:

"Present barriers to achieving many of the region's growth objectives and planned development, especially



the development of essential employment lands and job opportunities dependent on the implementation of Highway 407 ... through Durham;...

"Now therefore be it resolved ... that the continual delay in the implementation of the Highway 407 east expansion and the north-south freeway links in Durham is of significant concern, given the implications on growth in the region; and

"That the Highway 407 east extension through Durham be expedited, without further delays, including the completion of the ongoing environmental assessment, detailed design and construction, with all necessary funding earmarked at an early stage."

Therefore, copies have been sent to you.

All I'm saying is that I was on council in the early 1990s. This thing had a preliminary design, a preliminary EA that never really went through the whole process. Mr. Lumley in the ministry at that time was the head of that project. I participated and had some strong views on it. That's almost 15 years ago. They say here that you've changed the terms of reference for the EA to be completed from 2003 to 2004, then it was changed from 2004 to 2006, and now the expected completion of the EA is 2008. This just simply is not acceptable.

In a contrite manner, I would say, respectfully—I know I don't have the eloquence and thump that Hazel McCallion has—let's listen to Durham for a change. We have one artery serving 518,000 people; one road, the 401. If it's choked, the economy of Durham is choked. I've got to dramatize the real-life situations. It's supported by each of the councils. I asked them for their top priority. Mayor Marilyn Pearce, top priority: 407 completion. They understand there would be troubles with flooding at the terminus point, wherever that happens to be—Lakeridge or somewhere. The mayor of Clarington, John Mutton, the same: the top priority was 407 completion. The regional chair, Roger Anderson, and the subordinate mayors of the region: there it is, if I could rant on here about the 407 east.

I'd be happy to lend you my work boots to get on with the job. I'm not sure; mine might be a little small for you, Minister. I could never fill your shoes, they're that big.

Anyway, I don't want to trivialize it. There it is. It's not me saying it. We certainly do want to work with you, and I know the region is anxious, because they are looking for 401 interchange improvements and enhancements. There is work going on at Stevenson Road—good. Keep it going.

I know your officials have met with Mayor Mutton on issues with respect to the link on 407. I would give you here a bit of my own friendly, rural-type advice: Look at Holt Road. Look in that vicinity. That's probably the best option. It's where the transmission link from the Darlington plant is. It's also going to be the link for the largest port in all the GTA. When the St. Marys Cement plant is exhausted, that will be the largest harbour. That's where the container ships will be coming in to feed this economy that we're talking of, of six to 10 million people. That's where it's going to be. That's where you

need the link to end, right there. I'm telling you, whether we were government or not, I've lived there and been involved for 15 years.

The other thing is that there will be a nuclear plant, I believe, at Darlington. I hope it's a Candu 6. I know there's a big trip planned for China. I guess Dalton and Dwight are going. I hope they cut back on the dinners. It'll certainly be some kind of expense cheque there, and we'll get those FOIed, for sure.

So those I leave with you. I look for a response. All I'm saying here in terms of the question is, where is it on your capital priority? Quit spending money needlessly on the lawyers. Mr. Bisson did a very good job of asking for the legal and associated expenses. You know I have that question on the order paper. You made a promise—you didn't make it, and I give you credit; at least, you didn't have your name on it. You're part of cabinet, so it's part of a team sport. I understand that. But you know, that's just wasting money. That's to reduce volumes. You can increase the rates, reduce the volumes. But we do want the answer on the 407 and the links.

What I'd say is that a good monthly review would be a good leadership function for you to take on in terms of openness, transparency and accountability. These are the words you use. I don't see any of it.

Talking about openness and accountability, now we're getting into the not-so-pleasant function. I am the critic, so don't take this personally. There are a couple of things here that I think are very public safety issues. One of them is not that big a deal, I suppose. It's an article I happened to pick up in the Toronto Star dated October 17 with respect to the legal loopholes that U-Haul is using in returning unsafe vehicles, by their standard, to the roads. You are, I'm sure, with all of the people you have on your staff—this is only part of them; I understand that. But even your political staff scan this. This is a huge issue. What they're saying here is that this constitutes a loophole that you can walk—you are in charge. You've got the golden pen to sign these things. I expect a response to that. This is a legal and public safety issue, and you're in charge. I expect it will be solved probably after the weekend sometime.

I'm not being trivial. I'm putting it on the record, because if there's nothing done and I see a U-Haul rammed into the side of a family car, that will be a different issue then. It'll be in question period. You'd have to get that briefing book out.

There are a couple of things on a less pleasant side that I have to bring to your attention. There are long-sought-after, reasonable questions under an FOI request. The first one is FOI PPS-05-115. You're probably familiar with it. You may have it with you. Do you want to check anything on that? And the other one is CSD-05-126.

The first one is dealing with your schedule. Now, you know there have been some shadows with respect to the outstanding career you had at Chalmers—and it was. By any measure, I think you were more successful before you were elected, technically. I think you're doing a great



job. It's two years; who knows? On that, quite honestly, what's taken so long here? This is what I call—it verges on cover-up. It does, because it's all part of the integrity, openness, accountability, transparency, all of these classic words.

**Hon. Mr. Takhar:** Let me answer it.

**1600**

**Mr. O'Toole:** You've got the answer for both those? They've been on the books for almost a year. You've got the answer today on the cellphone calls back to the office, or whatever?

**Hon. Mr. Takhar:** Let me answer the question.

**Mr. O'Toole:** Good.

**Hon. Mr. Takhar:** When you're ready.

**Mr. O'Toole:** OK, I'll let you answer that here shortly, because I'm kind of nervous, actually, about getting these on the record accurately.

It appears to me that we have paid an extraordinary amount using taxpayers' money—we just reuse tax money. We don't actually build cars or suspension systems or anything else to create money; we just try to add value.

The delays on the cellphone bill are quite puzzling. On June 15, we asked for it. They came back and said it was going to cost us \$660. I get my own cellphone bills every month. I sign off on them. I know basically what's going on. Have you got them with you? They're delaying this thing. They've actually extended it 21 days—that was until August 30; now there's nothing on that one. That one is troubling; I would say probably more troubling than some. Your schedule is also something I want on the record.

These are integrity issues. It's not questioning the personal; it's when a government runs on this openness and accountable and transparent—it's almost like talking to David Dingwall. It's like trying to catch a spider or something; you're almost caught up in your own web there. That's what we're holding you to, to the standards you set.

We're not talking about Mr. Sorbara here, we're not talking about Dwight Duncan, and we're not impugning any motives with you. Release the information and it will just go away, unless, of course, there are culpable kinds of information that surface in that review.

I won't bring up the literature that you had as part of your campaign—which was appropriate. You were a very, very well-respected and recognized CEO of a very successful group. You were the 2001 recipient of the New Pioneers entrepreneur of the year award. I say these things complementarily. You are to be commended, and that company which you were a head of is to be commended. I just expect you to bring the same discipline to the ministry. It's a very complex and important ministry.

I'd see a very bright future if you'd just break with the Dalton tradition of not answering the questions. That question is out there. I'm not linking this thing to the \$200,000 fundraiser, but when you link all the pieces together, the picture of the puzzle—individually, the pieces mean nothing; collectively, it's the Mona Lisa, it's the big picture.

There are three little things that I think you could ease the tension, the log-jam, on the freedom of information request, which is an appropriate method of trying to hold accountable and all that. We did it, and certainly the Chair of estimates has been subject to that and did the honourable thing. He stepped aside. We're not calling for that here today, yet, but there are a few things that are on the horizon, one of which is Bill 169.

I'd be happy to say right here publicly that if you withdrew that section on the taxi scooter thing, I won't mention the fundraiser one more time. But if not, it may become even more problematic. It's not a threat. Information has a way of working to your advantage and to your disadvantage. Your advantage is to pull that section from the bill in the House tomorrow. Just stand up. It's going to take a lot of nerve and the confidence that you're doing the right thing.

I think your theme was called "Time for a Change," or whatever. I'm looking at your brochure here, which is actually quite a good one. You might get a copy of it. "Choose Change." We would like you to change the way it works. There are two FOI requests that are being stalled; there's the whole taxi issue, which is kind of aside from that a bit. Just stand up tomorrow: "On a point of order, Mr. Speaker: Do you mind if I amend Bill 169 by withdrawing that section?" I'll actually stand and applaud as the critic. John Tory is a marvellous leader. I'm sure I could convince him—well, probably I'd do what he said, but I can convince him to support Bill 169. There you are in a public forum, admitting that to be the case.

I've brought up most of the issues and I'm going to give the minister a couple of minutes. I'd like most of the time—

**The Chair:** Mr. O'Toole, I'm just advising you that you have about 14 minutes left. If you wish to have the minister respond, I wanted to give you fair notice.

**Mr. O'Toole:** Yes, I would just say that that's appropriate. Again, I have a couple of very specific questions. I'd like to file these questions, then I get it in writing. Reading Hansard is hard. You know what I mean? You have to dig out the information. But when you ask specifically—for instance, one of them that's been asked to me in my gridlock meetings is, "With the investment of the gas tax and the other capital investment improvements for public transit, what is the minister's stated goal in policy for the increase in ridership?" It's fine to spend money, but what am I getting for the taxpayers' money? Because whatever you call those—tolls, fees, tickets for transit—it's all taxes. It's just different names. It's like electricity. We're going to be paying double. That's taxes. They say, "Well, you subsidized it." Well, you know, the economy was still operating. Now it's almost crippled. But that is one question very specifically. I'm sure you have experts here who could just sort of say, "We're going to increase ridership by 15%."

I can give you one good idea: Bill 137, the transit tax credit. There's evidence. I have evidence. I have stated evidence from the Canadian Urban Transit Association.

It says increase ridership by 20% by giving people a smart card—get rid of the administrative burden of all those receipts; I understand that—and increase ridership, actually at very little cost to the government. The lost revenue? Very small. It could be implemented over five years, 50% over five years—small, incremental. Ridership goes up, use of highways goes down, maintenance costs go down. So there's actually a payback.

The other question is, we agree with the high-occupancy vehicle lanes. On the high-occupancy, how many new and additional lanes are you actually going to build, or is this just sort of a diversion that we're actually doing something? It's like Michael Bryant announcing they're going to have more cops. There will be nothing happening. It's disheartening. After being here almost 11 years—it seems like 20—it is discouraging.

There's a couple of very simple, straightforward questions.

Now, on your estimates book itself—and I had the privilege to have read it—on the administrative things, the estimates in 2005-06 are up 30% from the previous year. That's page 22 of your book. The briefing book states that this is due to the reallocation of internal functions. Nice turn of phrase there. What services are now under business support that were accounted for elsewhere in previous years? I think that over the next while, most of the auditor's questions—we'll be feeding the auditor questions after he gets finished with MPAC.

Policy and planning on page 30: a reduction of \$4.7 million to policy and planning. This \$4.7 million could help to complete 407 more expeditiously. It's being attributed to an in-year reduction measure and a transfer of funds from operating to capital. That's almost illegal in accounting terms, moving between operation and capital funding.

Page 37: urban and regional transportation, operating. GO Transit operating subsidies are increasing by \$2.2 million. That's 5%. At the same time, the municipal tax allocation is being increased in 2005-06 by one cent per litre and 1.5 cents per litre. However, the increases recorded in the 2005-06 estimates do not appear to align with these amounts. There's a bit of a question, and we had to ask that question. The 2004-05 allocation was \$78 million, which means that a 50% increase would be equivalent to approximately \$39 million. So the numbers don't add up here. However, the budget for the municipal gas tax allocation is being increased by \$117 million. So you can see on that section that there needs to be a written answer here so that we can ask questions in the Legislature on this. This is just too important to use here, because it ends up in Hansard and probably ignored from the end of time.

The other thing is this whole issue of increasing the number of on-road inspectors. This is the safety inspection issue that is here as well. Where the heck is it? It's one of my key issues. Page 48: While the overall operating budget for the road safety program is being decreased, there's an additional \$4 million being invested in the transformation of the carrier safety and enforce-

ment program. What does this transformation entail? What value are motorists getting for the \$4 million? You know, we're reducing road safety, and certainly you'd be very familiar with that. There are these large and oversized load issues, which Chalmers company was very heavily involved in, in consultations, actually.

**1610**

Page 57, provincial highways management: The budget for operation and maintaining the provincial highways management program has only increased slightly. The increase is driven by a \$7.3-million jump in the services budget. What additional services are being provided for the \$7.3 million?

I'm going to stop there. But the last one, and this probably sums it up: If you look at the integration of all the transit—I mean fixed transit, meaning roadways—the big bottleneck, of course, is at the borders. Eighty per cent of our product actually has to go over a border somewhere, and most of it's in Windsor. What are we doing, and when are we doing any improvements there? I know there's a commitment for the gateway investment of \$17 million, but it's kind of a messed-up thing, with three jurisdictions there—municipal, provincial and federal. With the seven minutes you have left, maybe you could answer, or respond.

Thank you, Minister, for allowing me to rant on.

**Hon. Mr. Takhar:** Thanks for the speech that my critic made there, mostly a political speech, at any rate, with very little substance in it. But let me just start by saying that he said he supports most of the things in Bill 169, and I agree with him. I think the bill makes our roads safer. It will increase the fines for people who speed, and there are a lot of other good things in this bill.

Let me just talk especially about the issues that he raised with regard to taxi scoopers, and also about beginner driver's education. I don't know how somebody can sit and say to me that I should let illegal activity continue. Maybe you did it for nine years, but I'm not going to do that. It's about scooping, which means the people who don't have a licence shouldn't be able to pick up passengers from the people who have valid taxi licences. What you're really telling me is, "Let it continue. It's an illegal activity, but let it continue. It's OK in this province." It's not OK in this province. Maybe it was OK when you were in power, but it's not OK now. It's an illegal activity, it must stop, and we are going to stop it. We are not only going to—

**Mr. O'Toole:** But David Miller disagrees with you.

**The Chair:** Mr. O'Toole, please.

**Hon. Mr. Takhar:** Let me answer the question. We are going to make this activity illegal. Scoopers who pick up passengers illegally anywhere in this province, whether it's the airport or Toronto or Ottawa or Niagara Falls, will be illegal. Not only will it be illegal, but anybody who arranges for scooping—that will also become illegal in this province. There's no way we're going to separate this bill. This bill is going ahead as it is because illegal activity needs to stop in this province. We are not going to back off from stopping illegal activities in this province.



Let me say about the beginner driver's licences that the proposed legislation will strengthen our oversight of driving schools by ensuring clear, enforceable standards. We are going to formally sanction processes to deal with non-compliant schools. That's what we're going to do. We will make the tools available for more effective auditing of parties within schools. I have done more consultations to make sure that we have good driving schools providing a good education so that the safety of our roads is maintained. Maybe those issues were left undone before, but they're not going to be left undone now. They're going to be done. It's the same thing as with the taxi scooping: Illegal activity in this province is going to stop.

I am just going to go in the same order that you asked the questions. On the 407 extension, we are absolutely committed to moving ahead with the Durham 407. I have met with the municipal partners on that front as well. This is a complex project. It's not an easy project. If it was an easy project, I wish you would have done it before. The environmental assessment would have been done, complete, so we could have moved ahead with construction. Everybody knows that in order to do a project, it takes 10 years, which means an environmental assessment, design work, moving ahead with the construction of the project. If this project was that important, the previous government should have finished the environmental assessment for it. But we are going to do that, and we're going to complete that as well. But I'm telling you that this is a complex project and we are going to move ahead with it in a reasonable fashion.

Durham is as important to us as Mississauga, Brampton or any other community in this province. This is all about the economic development of this province, and we are going to move in a reasonable, planned way to do all that.

You talked about the U-Haul public safety issue as well. We are the only province which has actually moved ahead with this, took some actions, in fact. This is not an issue that just emerged; this issue has been outstanding in this province for a very long time. Tell me one thing that you did. Anything that I did is 100% more than what the previous government ever did on this front—anything you've done. What we did is, as soon as I found out about this issue, we moved ahead and ordered the inspection in this province. I wanted to find out if this issue was just for one company or was industry-wide, so we inspected the trucks. We found out a few of the other companies were doing this too. So we worked with them, and we basically brought them to the standard. We're going to work with this company as well, inspect the maintenance standard and bring them to the standard. We are closing all the loopholes. I don't know which loophole you are talking about, but they are registered in Arizona, so I have talked to the ministry of transportation in Arizona. We told them that if replacement plates are required, they should check with us first and there will be flags put on that as well. We have done more than anybody has ever done, or any province has done, in this regard.

You talked about the increase in ridership. We have very clear targets for increasing ridership in this province. But the ridership can't be the same for every municipality. It depends upon what level they have been—how many buses they have, how long they have been in existence. So different targets have been established for different municipalities to make sure that the ridership in fact is tied to the gas taxes. They are a clear target. We have a clear target for GO Transit. It was 1%. We exceeded that target. The same thing with the TTC: They have a clear target, and they are exceeding that target. Every municipality is almost exceeding their target. Tell me one thing that the previous government did to increase ridership in this province. Tell me one thing that you did. In fact, what you did is reduce the payments that you were making to the transit systems.

Then you talked about some of the issues about the cellphone and the openness, accountability. It's a laugh almost, really, you talking about openness and accountability. You will get all the information about cellphones, you will get all the information about schedules, and there is nothing you're ever going to find. I am proud of my record before joining the public service. I am proud of my record after joining the public service. I have written notes from you telling me that my ministry is performing A+ service in customer service. We have moved ahead in almost every area. In transit, in the construction of highways, in promoting safety, we have progressed in every area. I don't know how you even have the guts to raise those issues here.

For the other areas I'm going to ask my comptroller to talk about the numbers that you have raised. In terms of GO Transit, for the first time ever in this province a minister sat with the board of GO Transit, actually sat with them and gave them very clear guidelines about what the expectations were. And GO Transit is exceeding all those expectations. It was news to them—the minister never, ever even sat with the GO Transit board.

The on-road inspectors: This is our plan. At the end of the day, the objective here is this: to make sure that our roads are safer. There is never one plan that makes roads safer. We need to look at what works and what doesn't work. What we are doing is, we are saying that we need to look at: Is it more effective to do inspections on-road, or is it more effective to do inspections on the front-end side? We are going to start doing some audits before the trucks even go on the roads. To me, and to all staff, it makes sense that if we can go to the sites and do the inspection of all trucks on-site, we can actually take those trucks off the road or take the plates off if they are not meeting safety standards. There is no idea of getting them on the roads and then doing the inspection standards. That's why the transformation project is there.

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So whatever makes sense, based on the research that is available out there, that's what we're going to do. At the end of the day, the objective is to improve safety. I am proud of the safety record that we have. We are one of the best in North America. So I don't know where you're



coming from, unless you just want to make political statements for the sake of making political statements. You want to get on the record; that's fine. But just making accusations makes no sense. I think that's where the integrity comes in. You say what is right, but don't just keep on saying it for the sake of saying it.

*Interjection.*

**Hon. Mr. Takhar:** So are you.

**The Chair:** Mr. O'Toole, you have some additional time. Please proceed.

**Mr. O'Toole:** I will take that as somewhat of a scolding. We have different jobs. If you were here—

**Hon. Mr. Takhar:** Different jobs—but that's where integrity comes in.

**Mr. O'Toole:** Well, integrity—it's difficult for me to ask these difficult questions, because—

**Mr. Tim Hudak (Erie-Lincoln):** Who's under investigation with the Integrity Commissioner, by the way? Are you still under investigation by the Integrity Commissioner, Minister?

**Hon. Mr. Takhar:** I offered that myself.

**Mr. Hudak:** You're making accusations—

**Hon. Mr. Takhar:** I offered that myself.

**Mr. Hudak:** You're still under investigation—

**Hon. Mr. Takhar:** You ask me a question, then I will answer the question.

**The Chair:** Mr. Minister, would you like a few minutes to compose yourself?

**Hon. Mr. Takhar:** I'm composed.

**The Chair:** Would you like a few moments to compose yourself, sir?

**Hon. Mr. Takhar:** I'm fine.

**The Chair:** Would you?

**Hon. Mr. Takhar:** No, I'm fine.

**The Chair:** Thank you.

Go through the Chair.

*Interjection.*

**Mr. O'Toole:** No. I recognize Mr. O'Toole.

**Mr. O'Toole:** Yes, OK. We'll just keep it at that level.

In a perfectly ideal world, I would just walk away and be quite content that there's some way of actually measuring these increases. Whether it's on drivers' licences or road inspections or increased ridership in transit, they're all laudable goals and I commend you for setting them and, indeed, publishing them. I expect to read them in Hansard.

What it comes down to is, it's much like the suggestions being made with the driving school lack of accountability. And it's the same thing with ridership in transit. I challenge members today to ensure that there's some method of accountability there. They give you numbers and I'm sure they look at numbers. I've been on council long enough to know, whether it's library circulation or whatever it is, that the numbers usually justify what it is they're trying to justify. I don't accuse anyone. They make sure the numbers fit the equation.

I'm happy to say that the response you gave here today, in all honesty, unedited, will be sent word-for-

word to the regional council, because it is—outside of all the politics, this thing has been studied to death. I believe that some of this consulting and all the stuff that goes on here is just a stall mechanism. I don't blame you. You can't possibly do everything from run the ministry to drive the truck—or drive the process, for that matter. But it is a stall mechanism. Until you resolve the 407 toll issue, you're not going to make a commitment. I see it a little more through somewhat shaded glasses about further contracts until you've resolved the current dilemma—an election promise, which I think, by the way, was reckless and irresponsible and one which you didn't make.

You're actually wasting public taxpayers' money in court for a reason that, to me—you've made up the problem. What I'm saying to you is that, if I'm suspicious, it is part of my job. But I believe the 407 is important to the economy of Durham. I represent the Durham riding and, as such, I'm putting on the record what they think is the number one issue. I've told you I was on the committee at the local and regional level as early as the early 1990s. This thing has been talked to death, studied to death. I can almost draw the line for you myself.

I haven't got an answer on the connecting link on Lakeridge. I've been in meetings with deputy ministers when we were government. I know the difficulties around Hancock Road and the corridor links, and I'm saying publicly things that, to me, are helpful, because wherever you build it you're going to upset somebody, on one side of the road or the other; it doesn't matter. I don't want it to go much north of Winchester Road. There's the issue of the golf course and the present dairy farm. There are huge land acquisition issues with the Simcoe Street interchange. I'm quite aware of almost every property acquisition and heritage building.

I do this with a great deal of commitment and passion, and it's nothing opposed to you. I know it's been there longer than you have, and when the cat is out—do you understand? I think the ministry people have their own bosses and it's sometimes to do with the contract with 407 and who owns the land and who has the money tied up and who is going to buy the link. They've bought half the land already.

I'll ask another question, for the record. I want a list of all the properties that have already been purchased on the technically preferred route and the EA study areas. The reason I say that, Minister, is that there will be pockets of land throughout all our ridings that are in public ownership that we guess it's going there. There are certain environmentally sensitive areas that need to be addressed, but that's just one area. To some extent, I'm doing the same as you: just kind of reacting to your anxiety level.

**Hon. Mr. Takhar:** Can I just answer that? I want to be on the record to say that the 407 extension is very important to us, but we have to go through the due process to make sure of where this highway should go. I, for one, will agree with you. I think there have been delays in this project. Most probably the EA should have

been a long time ago and we should have moved ahead with the construction. But I want to assure you of this: The 407 dispute has nothing to do with this. The 407 dispute is a separate issue. We feel there are 93 years left in this contract and, basically, whether you agree with this or not, it's a long-term contract which has not been in the best interests of the drivers who take this highway. So we needed to take a stand on that and negotiate or renegotiate or at least try to get the best we could get out of the 407. Everybody knows that 99 years is not a good lease. We didn't get a good price. If you read the books that are done on the 407, they basically say that the difference between a 35-year price and a 99-year price is maybe \$100 million or \$200 million. But for \$100 million or \$200 million we give them 69 years. It doesn't make any sense.

I'm saying that this 407 east extension is in no way being held up because of the 407 dispute, and that will never happen. We will be more than pleased to give you whatever properties were purchased based on the original guidelines for the 407 east extension; that's not a problem. But from my point of view, Durham is a priority for us. We want to make sure that Durham's economy doesn't suffer because the highways are not extended. So we are moving ahead as quickly as possible. I have even spoken to the Minister of the Environment, that we need to come up with a different, speedy process so that some of these issues can be addressed.

**Mr. O'Toole:** I commend you for that response, Minister. It's the tone, that these things, whether in question period or review of ministry in estimates or public accounts, should happen in that forum. There are times when we're looking for content.

One of the other things I do, and this needs to be public: When persons lose their licence for medical reasons—I know this has come up before—I write quite a few letters, probably a few a month, to you on the medical review process, prioritizing them, doctors' letters, the reviews and the hearing times. This usually affects in my riding—and I think I said it last time; I'm repeating myself. For instance, for someone living north of Port Perry, there's no transit; they're in the boonies. Pardon my language. If their spouse has a stroke or something and they have to go to the Oshawa hospital or Sunnybrook, they're finished; they're completely finished.

If you look at it, urban areas could be treated differently than rural areas. If there's no public means of getting there outside of your child, who might live in Calgary—in the case I'm speaking of now, that is the case; their only child lives in another province. Community care can't help them. That's an issue that I think needs to be looked at in respect to what options the citizens of Ontario have in certain areas.

I'm in Toronto; I have other options. If I'm in Seagrave, I don't have any other options; I need to get this licence back. If indeed my doctor has sent a letter to say that it's OK, what's this review panel doing? A doctor can write the letter and your licence is gone. Try

to get it back. Do you understand? That's the whole deal. I know Mr. Kular is a doctor, so he has probably done a few of these things. It's quite problematic to get it back. When a doctor has said, "Take it away," it's done; when they say, "Give it back," the process kicks in.

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**Hon. Mr. Takhar:** You want me to answer this question?

**The Chair:** Yes.

**Hon. Mr. Takhar:** We had a discussion on this topic yesterday and last week. I am prepared to ask my staff to answer this question, but what I undertook to do yesterday was that I said we would look at the process. If we thought any changes needed to be made, we would make them. We understand the inconvenience it sometimes causes if the licence is cancelled for non-legitimate reasons, although we feel that it's the doctor's or dentist's responsibility to make sure that they use proper judgment before they recommend that a licence should be cancelled. But if you need more information, the staff is here. They're more than prepared to give you that information.

**Mr. O'Toole:** I guess in each case I do write a letter. I'm sure it gets looked at; it doesn't get treated differently. I appreciate that response as well.

I also want to put on the record that after meeting with the mayor of Clarington, John Mutton, I know that they are meeting with ministry people; they are looking at future interchange improvements. One of them would be one I use every single day as I drive back and forth: Waverley Road and the 401. Don't do it for me; do it for all the other constituents who use it, along with me, even if I'm going to pick up the GO Transit in Oshawa.

With that, I would ask some of my colleagues if they have any further questions.

**Hon. Mr. Takhar:** Some of your questions are outstanding—

**The Chair:** Minister, could you just wait until I get the microphone on. You're going to defer to Mr. Bartucci?

**Hon. Mr. Takhar:** No. Actually, I'm going to defer to the comptroller here, Steve.

**The Chair:** I'd rather listen to Ernie, to be honest with you. Please proceed.

**Mr. Steve Naylor:** Mr. O'Toole, you've raised several questions in regard to our estimates. I greatly appreciate the interest you took in our estimates. It takes us a long time to prepare them. You did pick out several interesting components, so I do appreciate your taking time to read them.

On page 19, you referred to a change in the corporate services division ministry administration program. Last year, in 2003-04, the government made a decision to bring together all our human resources functions. The Ministry of Transportation at that time had a number of HR people who were in our provincial highways management program. As you are probably aware from your time in government, during different years there are quite often movements of funds and different types of pro-



grams between the different votes and items. What we've done in this item is to show that we've moved approximately 45 people who were in the provincial highways management function over into the corporate services division or business support program. That constitutes a significant portion of the increase in the expenditures. This was done purely at the direction of the Ministry of Government Services, and we're just complying with their requirements to consolidate into one position. I trust that answers the question on page 19.

Moving then to the GO Transit question that you raised, as the minister has talked about, we're trying to develop an extensive transit culture in the ministry. Over the last number of years, we have put into our estimates an extensive amount of money to expand GO Transit, and the minister has worked with the board to ensure that they work efficiently and effectively, and make the best use of taxpayers' dollars.

As you expand the network and increase the number of trains and everything else, even if you maintain the same recovery ratio of 85%, the costs are going to go up. As we bring on new lines and new facilities, it takes a while before they hit that cost recovery ratio. The ministry shows in its appropriation requirements and in its estimates a commitment to fund those needs and help GO Transit meet them, and make sure that as many people as possible have transit opportunities.

Last year, the expansion amount in our public accounts was about \$80 million. That additional \$2-million subsidy helps to make sure that we can deliver on that item.

Moving to the gas tax, when the gas tax announcement was made in the budget, it was set up on an October 1 to September 30 year end. Obviously it doesn't quite reconcile, because we move the half-cent every October 1; so it doesn't reconcile with our fiscal year. On that item, I would suggest that we would provide the committee a detailed report showing how we meet the government's commitment of the half-cent adjustment each year and how it ties in to the estimates at a later date, if that's OK.

**Mr. O'Toole:** Sure. That's perfect.

**Mr. Naylor:** On road user safety—bear with me for a minute; I've got to change pages—I'm not 100% sure I understand your question. I think the minister has addressed the one on the \$4-million adjustment for the carrier enforcement program. I think the question that was left outstanding for me was to deal with the change in expenditures. Is that correct?

**Mr. O'Toole:** Yes, that's the question that I had presented.

**Mr. Taylor:** Mr. O'Toole, in 2003-04, the Ministry of Transportation transferred the driver examination services function from the Ministry of Transportation to a private sector provider. In the 2003-04 actuals, there are two components that increase the cost structures significantly over a "normal" year. Those two components were that we had full salary and wages for the driver examiners in our appropriations, as well as all the costs of the different types of activities they have to do—travel, uni-

forms etc. Also, when we did the transfer, there was a requirement to pay enhanced severances and legislated severances. Those two components basically comprise the majority of the increased year-over-year budget.

If you went back and you were to look at our public accounts information for the fiscal year 2002-03, you'd see that on road user safety we spent about \$149 million, but when you look at that and compare that to the current year's estimates of \$160 million, you'll see that the spending actually increased on that program item.

Then moving to PHM, provincial highways management—my apologies for using an acronym—since 1996, the Ministry of Transportation has changed its cost structures dramatically. The change occurred in that time when the government decided to proceed with having the private sector provide a significant amount more of the day-to-day highway maintenance. The way we record those types of expenditures in both our estimates and our actuals is through our services line.

You very appropriately identified that our services line has increased 4.2% last year over the previous year's estimates. Those maintenance contracts and managed outsourcing contracts come up periodically for renewal. When they do come up for renewal, there are some adjustments between work that's done within the ministry and work that's done on contract, and that sometimes adjusts the price. Last year we had a significant number of contracts that came up for renewal, and that constitutes why the services line went up.

If I understood you correctly, you had some concerns or questions on why that line went up so much and the overall didn't go up as much. Part of that is a realignment of activities. We found some ways to do some things better. We also got rid of some properties that reduced our payment in lieu of taxes, so we were able to re-allocate those expenditures to the services line to reduce the total fiscal impact on the province. That's how we made that work.

**Mr. O'Toole:** The last one, briefly, if there is any time, is the gateway investment project, just a quick sketch on that. You've got \$17 million. That's a big issue for auto and the just-in-time economy. It's absolutely critical. To me, it's the whole ribbon of the economy, the 401 and its various border issues in the new climate.

Is there some way that we could be helpful there? I mean that sincerely. I see the federal relationship, and sometimes, in Windsor specifically, there are some municipal issues that nobody wants to give up what might be a collector or arterial road in those areas. I understand that; it's very important.

**Hon. Mr. Takhar:** Let me just answer this. Billions of dollars worth of transactions go through all our borders, but we have made it a priority to impact all of our border crossing points, starting with Windsor-Essex especially. What we have committed to doing is, we have basically said that we agree with the recommendation made by the Schwartz report. We have agreed to invest about \$500 million, along with our partners. We have tried to move through phase one of those projects fairly



quickly. We are committed to making an investment in the environmental assessment. I think it is important for us to identify quickly, at the end of the day, another crossing in the Windsor area; otherwise, in a couple of years, it's going to be very tough for the economy and for the trade to move through our borders. That's why we are making a significant investment in our all of our border points, including Niagara Falls and Sarnia. We are also trying to make extensive use of the technology as well.

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**Mr. O'Toole:** There's some of that radio technology or whatever you call it for trucks—pre-clearance. I think that's pretty critical.

**Hon. Mr. Takhar:** And also the signs on the highways.

**Mr. O'Toole:** Yes. I don't want to get into the operational issues. I just know that it's important and, as opposition, we could track that to the high pressure on the auto sector; as an example, the new Toyota plant, which you're so proud of, as I would be, from Durham. I think there are probably about 5,000 trucks per day that service both the direct auto sector and the indirect—Mackie and automotive systems as well as other supplier groups. It's huge.

Having worked at General Motors for some time, I have recently spoken to people about just how important it is. It really is an economic issue because the more inventory they have to have in-house, the more it costs them. Do you know what I mean? The way it works now is they basically never own the inventory—it's in the dealer's showroom—before 30 days. That's what this is about. It's really important for the efficient movement of goods and services and the finished product out of the thing. I'm sure you're well aware of it. You work very closely with that sector.

I could probably just give up my time. I surrender. No, Mr. Hudak had a question.

**The Chair:** Yes, there's some time.

**Mr. O'Toole:** I was going to surrender, Minister, but—

**Mr. Hudak:** I can wait for rotation, Chair, if that's your preference.

**The Chair:** Are there any more questions from the government members?

**Mr. Milloy:** Just to continue the rotation?

**The Chair:** Just trust that the Chair is offering you an opportunity to ask some questions.

**Mr. Milloy:** I'm very happy to take that up.

**The Chair:** Please, Mr. Milloy, we'd love to hear from you.

**Mr. Milloy:** Thank you very much.

Minister, I wanted to talk a little bit about public transit. As you know, I come from a growing community that has been investing significantly in public transit, and also doing planning and looking not only at a few years down the line, but really over the coming decades, how we're going to move forward.

One of the big highlights of the last year or so was the announcement of the gas tax money. I remember you

came to my community as part of your tour of the various regions to talk about the gas tax money that was going to go to Waterloo region and, obviously, to various regions across the province. Now that we're several months into the program, I just wondered, now that the money has started to flow, what the impact has been in terms of public transit in various communities, the type of feedback you've gotten and how the program is going to develop in the coming months and years.

**Hon. Mr. Takhar:** We have put a lot of emphasis on our transit funding to the municipalities. We feel that transit funding is absolutely essential if we're going to address the congestion problems of this province. The highway capacity, as I said several times in this forum, cannot be increased overnight. Where we need to make maximum use of the capacity that we have on the highways, we are doing it with HOV lanes and all that. At the same time, we need to encourage public transit.

Let me just give you a little bit of information on what we are doing on the transit side. We are making about a \$900-million investment in public transit this year, which is about 60% more than the previous year. We have also, as you know, given one cent of the gasoline tax, which comes to about \$156 million, to the municipalities. This is the first time we have been able to give stable, sustainable funding to the municipalities, and the reaction from the municipalities has been very positive. In your municipality alone, the reaction has been quite positive, and they will be able to use this money to add new routes, new buses and hire new drivers.

It's been the same thing in almost every community. I was in Brampton at a function, and they were very pleased with what we have done. I was in Durham at a function, and they were very pleased with what is being done. They are using this money to add new routes, to refurbish old buses and add new buses, and the results are showing up. If you look at the results, in GO Transit alone, ridership is up; on the TTC, ridership is up; in Brampton, ridership is up; in Mississauga, ridership is also up. It's up everywhere.

In addition to the \$900 million that I talked about, we are putting \$1 billion into GO capital expansion. We will be adding new engines, which will be able to pull more people. We'll be able to add more capacity to the trains so they can carry more people. It's the same thing for the TTC. We have given them \$1 billion in funding, along with the federal government and the provincial government. We also have the OTRP program, which also gives funding to municipalities to buy new buses.

If you combine all these things together, I think we are making a considerable investment in transit, and it has started showing results and improving ridership. As I said before, we have given very clear targets to each municipality to improve ridership, and actually, most of the municipalities have been exceeding those targets.

**Mr. Milloy:** Can I ask you a bit about GO? In one of your earlier comments, you talked about establishing a new, closer relationship with GO, as minister. What's been the history so far, what efforts have you made to put

GO on a better footing and what is your vision as minister for GO Transit? Obviously, I know there is some expansion in the works. How do you see it unfolding over the coming years?

**Hon. Mr. Takhar:** I see GO Transit as a very integral part of our total plan in the GTA. It is really a hub that carries passengers anywhere, at least on the GO train side, from Hamilton to Durham. But we also have quite a network of buses. What we have done over the last few years is try to increase that service.

Let me just give you what we are doing on the GO Transit side. In the long term, my vision is that GO Transit has to play an integral part in this province in the GTA, but GO Transit has been neglected for a long time. It's downloaded one time, then it's uploaded another time, and nobody has really paid a lot of attention to GO Transit, except that it has performed really well over the years. But GO Transit has a lot of potential, so we are paying a lot of attention to GO Transit. I have sat with the board of directors, and I have basically given them a very clear target to increase ridership in this province and improve service.

Some of the things we are doing is adding approximately 4,500 new parking spaces. We have already added 4,500 new parking spaces since October 2003. We are purchasing 27 new, more powerful, fuel-efficient locomotives that can pull two additional cars, with 300 more passengers per train, starting in May 2007. We are introducing 20 more bi-level rail coaches, increasing the fleet up to 395. We are providing a customer e-mail alert service, so that whenever there's a delay in service, people can actually find out without going to the station; they can find out right at their computer stations if the service is delayed. We are lengthening train platforms to accommodate longer GO trains and more passengers.

In addition to that—this is what we have already done—we are opening a new East Gwillimbury station along the Bradford line. It's a \$7-million project. This station will serve approximately 1,500 commuters daily over the next decade. We're opening the new Mount Pleasant station to serve the Brampton west area—close to \$11 million. That has already happened. This station will serve more than 1,600 riders daily over the next decade. The Kennedy station is a \$3-million project. That will be very good for GO train and TTC passengers. We are also proceeding with the design phase of the new Lisgar GO station in Mississauga.

What we're really doing is making the service more easily available to people so that more people take it. If more people take it, it means less congestion on the highways, and less congestion means that people can travel from one place to another quickly and effectively and so on.

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In addition to that, security issues have been at the forefront. We are initiating a system of security awareness whereby all staff are trained to identify and report suspicious activities. This was adopted for GO's needs from existing programs that were developed in other

jurisdictions. We're routinely conducting emergency drills with the police, fire and emergency medical services and incorporating security in the planning and design of construction and operations.

We are moving GO Transit to world-class operations, using the best practices that we can find out there. I also want to tell you that GO Transit's fare recovery is around 85%, which is probably the best in the world.

**Mr. Milloy:** Thank you for that. If I can follow up with a related question that's probably near and dear to the hearts of most MPPs, certainly the ones from Niagara and southwestern Ontario—actually, probably for every MPP—and that's the whole issue of gridlock around Toronto. As my colleague Mr. O'Toole said, I ask not for me personally—even though sometimes I spend two or three hours trying to do that one-hour drive—but I ask on behalf of all of my constituents who are also commuting more or coming to Toronto for business. Just over the past few years, it seems we've gotten to the point where it is sometimes taking two or three times the amount of normal time to get here during those peak hours. Again, obviously GO Transit and public transit is part of it, but beyond that, what is the government doing to address some of these gridlock issues?

**Hon. Mr. Takhar:** I think this is an interesting question. I think that gridlock is a serious issue in the GTA and the surrounding suburbs, even going toward Kitchener-Waterloo and those areas. The government is trying to do two things: One is to make maximum use of the capacity that's available on the highways; the other is to make sure that we create a transit culture in this province.

On the highway side, we are making a record investment of \$1.2 billion in highway infrastructure programs. But as I indicated before, some of those highway projects can't go ahead unless you have gone through the environmental assessment process and you have gone through the design phase. Then you can start making some real differences. Some of that planning maybe should have started a long time ago, but we have moved ahead with these projects.

The other is increasing transit funding. As I said, we have increased the funding by 60%. We are investing \$900 million in transit this year. We are putting \$100 million into the HOV lanes on Highways 403 and 404. Then the other is we are honouring our commitment of giving two cents of the gasoline tax to the municipalities as well, so they can have stable, predictable funding so they can make investment decisions based on that predictable funding.

In addition to that, we are also maximizing our use of technology. If you look at our highway structure right now in the GTA, there are chips on the highway that can basically tell you at what speed the cars or trucks are going and then it will convert that to the changeable signs that warn people where there is congestion so they can start taking alternative routes. Some of those things can really help people out.

I also want to tell you that we have a great Web site, the ministry Web site, with the help of the COMPASS



system. If you're trying to take any highway at any given time, at least in the GTA, there are cameras on the highways and you can click on them and it will actually tell you how the highways are moving. It will actually show the movement of the cars on those highways.

We are working on all of those things to relieve some of the congestion issues, but this is a longer-term issue and there still needs to be work. That's why we are proposing the creation of the Greater Toronto Transportation Authority as well, moving forward. This authority will take the total planning process into account in the GTTA area and see what needs to be done in what areas and so on. We are in the middle of consultations with the area mayors to do this right, so we don't repeat the same kind of organization that was previously in place, to address some of these long-term needs in this province.

**The Chair:** Mr. Hudak?

**Mr. Hudak:** Thank you, Chair, and thank you, Minister and staff from the Ministry of Transportation. I'm not sure of the proper staff person to ask, but I'm curious about the expenses in the minister's office. Am I on the right page, page 19?

**Mr. Naylor:** Yes, Mr. Hudak. Page 19 has the minister's expenditures on that line.

**Mr. Hudak:** Who's responsible in the ministry for the software, the computer programming that would be on the computers in the minister's offices? Who makes those decisions? Is it corporate? Does the minister make that decision?

**Mr. Naylor:** Let me make sure I understand the question. Are you talking about what's in the minister's office?

**Mr. Hudak:** Yes. Is it Microsoft Office, or what do they have actually as their main set-up there?

**Hon. Mr. Takhar:** Can you ask the question again, please?

**Mr. Hudak:** Just in terms of the computers that your staff uses, do they use a Microsoft Office format, or what kind of format do they use for their computers?

**Hon. Mr. Takhar:** It's the Microsoft format, I think.

**Mr. Hudak:** So there's a pretty straight scheduling program on there?

**Hon. Mr. Takhar:** I think it should be a pretty straight scheduling program.

**Mr. Hudak:** The scheduler in the office is?

**Hon. Mr. Takhar:** Every minister has a scheduler.

**Mr. Hudak:** I'm sorry?

**Hon. Mr. Takhar:** Every minister has a scheduler.

**Mr. Hudak:** Yes. Could you just give the name of the person in your office who's the scheduler?

**Hon. Mr. Takhar:** It's Muriel Alvares.

**Mr. Hudak:** Muriel Alvares. Do you see Ms. Alvares on a pretty regular basis? Do you see her in the office, converse about the schedule?

**Hon. Mr. Takhar:** I see her all the time.

**Mr. Hudak:** Minister, I think you know that your personal schedule has been requested from PC research services from January 1, 2004, onward. You have failed

to yet bring those forward after an extraordinary amount of time. Why is it taking you so long?

**Hon. Mr. Takhar:** I actually don't even know. The staff might be aware of this request. Everything must be done according to the policy.

**Mr. Hudak:** I'm sorry; you're not aware of this request?

**Hon. Mr. Takhar:** I'm not aware of this request.

**Mr. Hudak:** I'm sorry?

**Hon. Mr. Takhar:** I'm not aware of this request. Nobody made this request directly to me.

**Mr. Hudak:** So nobody in your office has let you know that your schedule has been requested?

**Hon. Mr. Takhar:** If it's requested, it's normal course of business, and it will be given whenever they will get the information to give it to you.

**Mr. Hudak:** Even if you're not aware that there's an FOI request for your schedule?

**Hon. Mr. Takhar:** I don't get into those things. I have better things to do.

**Mr. Hudak:** Minister, it is important. I mean, let's be frank here. You are under investigation by the Integrity Commissioner on some very serious charges. Earlier on this afternoon, you lost your temper, to an extent. I'm glad that you've calmed down now, but it is a serious fact for members of the committee to consider. You've been chastised by your own leader and the Premier of the province for serious lapses of judgment.

I think pertaining to this is the nature of your schedule, to see if what you, in fact, have told the public meets with the facts. Your schedule has been requested, beginning, I think, now six months ago. Why have you not made it public?

**Hon. Mr. Takhar:** I said if the schedule is requested, you will get the schedule. I have no problem with any schedule, any cellphones or anything that is requested being requested, but just throwing garbage out there and making allegations has become the nature of the opposition party. Well, that doesn't mean it has any basis.

**Mr. Hudak:** Minister, I don't think I've made any particular allegations with respect to that.

**Hon. Mr. Takhar:** You are.

**Mr. Hudak:** I just mentioned that you were under—are you still under investigation by the Integrity Commissioner?

**Hon. Mr. Takhar:** I have requested the Integrity Commissioner to review it. If you have requested anything more, then you should know that.

**Mr. Hudak:** I'm sorry; I don't know if I follow that answer, but the Integrity Commissioner is currently investigating you.

**Hon. Mr. Takhar:** If you can hear the answer, maybe you will get it. I said I have asked the Integrity Commissioner to review if there's anything that I have done that is not according to the integrity rules. As far as I am concerned, everything that I have done has followed the rules. If you have requested anything else, then you should know about it.



**Mr. Hudak:** Oh, I do, in fact, know about it, sir. That's why I've asked you that very direct question, that your schedule, that is I guess run by Muriel Alvares in your office, has been requested now for six months' time. You yourself said it's a very basic Microsoft Office scheduling program. I can run to my office right now and print off my schedule for the last six months. Will you do the same?

**Hon. Mr. Takhar:** I have got a note here from the staff. It says that proper extensions were asked for giving this information, and the extensions were allowed. So you will get it within the time frames.

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**Mr. Hudak:** What time frame, Minister?

**Hon. Mr. Takhar:** I don't know. I don't even know the request. I haven't seen the request; I don't know the request, who you requested it from.

**Mr. Hudak:** I'm sorry. I thought I said that at the very beginning of my line of questions. On May 26, 2005, we submitted a request for your schedule from January 1, 2004, onwards. It is now October 26. A considerable amount of time has passed, Minister. If you have a Microsoft Office scheduling program, why couldn't you print it off right now and bring it to the committee?

**Hon. Mr. Takhar:** I think what I'm telling you is this: I don't know who you requested it from. Did you give it to me?

**Mr. Hudak:** We would have gone through the regular FOI.

**Hon. Mr. Takhar:** If you went through the regular FOI, then follow it through the regular process.

**Mr. Hudak:** As we have, Minister. It's taken an extraordinary amount of time. Anybody who would be reading this Hansard who is familiar—and most people are—with Microsoft Office scheduling would know that it's really just hitting a button and you can print off that schedule. I find it hard to believe—and I'm sure Ms. Alvares is a very talented individual—that it would take six months' time to print off a simple schedule. Minister, can you help us rectify this? Will you just direct Ms. Alvares to give us that schedule for the last six months?

**Hon. Mr. Takhar:** I'm not sure whether you're hard-of-hearing or you don't want to listen. What I said is, if you requested it through proper channels then ask for the response through proper channels.

**Mr. Hudak:** We did request through proper channels. It has taken now I think about 100 days. It's actually an incredible amount of time to do something that should be extremely simple to do. Minister, you say you speak to Ms. Alvares on a regular basis. Why couldn't you just give a call to the office or produce to this committee, within 24 hours, that copy dating from January 1, 2004?

**Hon. Mr. Takhar:** Did you make that request from me?

**Mr. Hudak:** It's just a simple question, Minister.

**Hon. Mr. Takhar:** I'm saying if you didn't make that request from me, there's no use asking this from me.

**Mr. Hudak:** I'm sorry; I'm having trouble following you. Just a very basic question—

**Hon. Mr. Takhar:** I think you're following quite well. You don't want to follow it, really.

**Mr. Hudak:** What we need is your assistance.

**Hon. Mr. Takhar:** I am saying, you followed proper protocol to ask for this information. Go through the same protocol to get the information because I do not get involved in these kinds of issues.

**Mr. Hudak:** I think somebody is involved, Minister, to be quite frank. I just find it absolutely extraordinary that on a very basic Microsoft Office scheduling program, that I'm sure all members here at the committee have on their computers, it's simply a touch of the button to produce a schedule for any known period of time. You would send it through the printer and then produce that schedule in quite a timely manner. If it has taken this extraordinary amount of time to produce something as simple as a schedule, what else can we believe but you're trying to cover something up?

**The Chair:** Mr. Hudak, I will just simply say that you've asked this question three times. The minister has said that to the best of their ability, they will respond. Beyond that, I'd like to move the line of questioning further, or if there are no further questions, we can—in all fairness, we need to move on to some additional questions.

**Mr. Hudak:** Fair enough, Chair. I was hoping to get—

**The Chair:** You have made your point very well, and the minister has responded, but I'd like to move on to the next point.

**Mr. Hudak:** I'm ready to move on; I just want to make sure. I'll phrase this one last question on this particular topic in a slightly different way. Minister, will you personally intervene to ensure that your schedule gets produced for our request as soon as possible?

**Hon. Mr. Takhar:** I have answered all the questions that I need to answer and I am not answering it any more. You have followed the process; follow the same process to ask the question and to get the answer.

**Mr. Hudak:** It's obviously very disappointing. You'd think that a minister who was under investigation by the Integrity Commissioner, a minister who's been chastised by his own Premier, would go to all possible means to try to come clean and make sure that he cleared his name. Instead, we seem to be seeing a five- or six-month delay—

**The Chair:** Gentlemen—the point you're making, Mr. Hudak, has been well put on the record. The minister has answered it. I'm going to say one more time, I'd like to move on to the next line of questions. My responsibility as Chair is to tie this to the estimates in the ministry, and you have asked a question that is appropriate; it comes from the estimates. But nothing is served in this Parliament to continue with the same question for a long time. I have an obligation to make sure that all questions are satisfied, given the response by the time allocated to the committee, which will be over in less than one hour. Anything beyond that would be the use of our time, which we would like to have focused on direct questions. Could we please move on to the next point?

**Mr. Hudak:** Sure. Fair enough. Thank you, Chair.

Maybe the staff could direct me to the proper place in the estimates where cellphone bills would be located.

**Mr. Naylor:** The cellphone bills are located by the division that the employee works in.

**Mr. Hudak:** OK. How about if the employee worked in the minister's office, or the minister himself?

**Mr. Naylor:** That would be on page 19.

**Mr. Hudak:** Minister, on June 15, the PCs submitted an FOI request for a copy of a detailed cellphone bill and telephone bills related to the minister and all of his staff, including the driver, for the period of October 23, 2003, until June 15, 2005. On June 8, we received a letter from the MTO stating that the fee for these records would be \$660, and we submitted the proper, requested payment for the telephone records. Then we received another letter extending a delay, saying it would be extended until August 30, 2005.

Minister, August 30, 2005, was a couple of months ago; a considerable amount of time has passed. What's the status of those cellphone bills and why have they not been produced?

**Hon. Mr. Takhar:** Mr. Hudak, my answer is not going to be different. I do not interfere in the FOI requests. You made the FOI request through a proper channel. Follow through the proper channel.

**Mr. Hudak:** We have, Minister. Maybe I wasn't clear. You responded, from the FOI request, that it would be extended by 21 days, which made it until August 30, 2005. The 21-day period expired August 30, 2005. It is now October 26, 2005. Almost two months have passed since that deadline for the FOI request. Why has it not been processed?

**Hon. Mr. Takhar:** I don't know whether you're getting it or whether you don't hear things. Maybe you need medical attention or something. I said I don't interfere in FOI requests. Am I clear?

**Mr. Hudak:** Minister, I don't know if you need to ask if I've had medical attention. I don't know if that's an appropriate comment from a minister.

**Hon. Mr. Takhar:** I am saying, you keep asking the same question and I'm telling you that I do not interfere with FOI requests and I don't intend to interfere. You have followed the process. Follow the same process to get the status of it, not me.

**Mr. Hudak:** What do you do, as minister, if deadlines are routinely missed by staff or by ministry staff?

**Hon. Mr. Takhar:** I take whatever proper action that needs to take place, depending upon what kind of deadlines they are.

**Mr. Hudak:** I've given you two examples of deadlines that have been significantly missed. What kind of follow-up would you do in the ministry in those circumstances?

**Hon. Mr. Takhar:** I said I do not interfere. I don't know whether deadlines are missed or not. Most probably, the extensions have been asked for and given. I don't know what the deadlines are. What I'm telling you is, I do not interfere with those kinds of matters, I have

no intentions to interfere with those kinds of matters, and if you follow the process, keep following the process.

**Mr. Hudak:** Do you have any intention of investigating what the problem is with the FOI side?

**Hon. Mr. Takhar:** Absolutely not. I have no intention of intervening in any way in the FOI requests.

**Mr. Hudak:** Do you think that the FOI process is an important way to keep government officials honest?

**Hon. Mr. Takhar:** FOI requests are made to do that, and that's what should happen.

**Mr. Hudak:** Do you think FOI time frames should be followed on a regular and consistent basis?

**Hon. Mr. Takhar:** I don't know what the FOI requests are and what times are required to deliver that information. That is a determination that the staff or the people who have to provide you with that information make. I wouldn't be able to comment on that.

**The Chair:** Mr. Hudak, if I might, I think you may want to reconsider your reference to the bureaucrats being honest. The purpose of the time frame, as I understand it, according to the rules, is to give sufficient time to staff to perform the request, and if that's been breached, the custom is to give an extension in order to accommodate that, but you may wish to rethink the reference to honesty on the part of the bureaucrats who are charged with the responsibility of answering those. I just want to put that on the record. You have every right to use the words you choose, but these FOI requests, as you and I both know as former ministers, are also managed by the civil service, and there is an FOI officer in this ministry. If you wish to pursue the FOI, as Chair I can advise you that you can request the presence of individuals who work within this ministry, and to the ability of the ministry they will present that individual. I just wanted to bring that to the record's attention.

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**Mr. Hudak:** I appreciate that, and actually that was the next step of where I wanted to go. But I fear the Chair misunderstood my comments. The process of the FOI is to make sure that elected officials, I should be clear, are maintaining the highest level of integrity and standards. I mean no disrespect to the civil service, who I think make every effort to ensure that requests are answered on a timely basis.

Minister, who is responsible for the FOI requests in the Ministry of Transportation?

**Hon. Mr. Takhar:** I don't know that person. Maybe the deputy can answer that.

**Mr. Frank D'Onofrio:** The person's name is Ms. Jamie Forrest.

**Mr. Hudak:** Is Ms. Forrest available?

**Mr. D'Onofrio:** She's not with us today.

**Mr. Hudak:** Chair, is it possible to have Ms. Forrest come forward to discuss these issues?

**The Chair:** It's highly unlikely that she'll be here in 44 minutes, given that any staff requests are usually done early in the process and then the minister can accommodate that. Given the hour is 10 after 5, staff might be



willing to make a phone call, but it would not be my ruling that it's mandatory at this point.

**Mr. Hudak:** Minister, would you be so kind as to see if Ms. Forrest is available?

**The Chair:** I'm sure one staff member won't mind making a phone call. Thank you.

Will you continue with your questioning?

**Mr. Hudak:** Whom does Ms. Forrest report to?

**Mr. D'Onofrio:** The ADM responsible is Mr. Bruce McCuaig.

**The Chair:** It would be appropriate then—I think the record needs to be clarified how FOIs work, because it's not something that is managed by the political staff of a minister; it is managed by civil servants in this province. I painfully know that better than any. If you wish to call forward one of your staff who can explain the process to Mr. Hudak—I think that's what his request is—it would be helpful to have that clarified.

**Mr. Hudak:** Basically, what I'm asking is if there's a problem in the FOI office. These FOI requests seem to be missed by significant time frames, and they are sensitive, so I do want to ensure that we have everything. The minister has not indicated any interest in pursuing how efficiently the FOI office is operating, and I just want to be assured that the finances set aside for the FOI office are being well invested.

**Hon. Mr. Takhar:** I think the Chair just said that the political staff doesn't manage this. The minister does not interfere in this. It's a political process. I am wondering if you are really hearing these things.

**Mr. Hudak:** I'm sorry? If I'm really—

**Hon. Mr. Takhar:** I'm wondering if you really hear what we have to say or just pursue political lines.

**Mr. Hudak:** Oh, no, I'm—

**The Chair:** Minister, I'm sorry we're testing your patience, but this is a process that is required. We're trying to be as fair and as balanced as we can here. However, if you want to direct your questions to the office of the FOI, which is responsible for these staff who are appointed to each of the ministries, as I understand how the system works, we'd be pleased to pursue that.

Welcome. Please identify yourself.

**Mr. David Ward:** I'm David Ward, director of the strategic policy branch at the Ministry of Transportation.

**The Chair:** Welcome, David.

**Mr. Ward:** I'd just let the committee know that Jamie Forrest, as folks know, is the manager of the freedom of information and protection of privacy office. That position does report to me. I am well aware of a number of the requests that Mr. Hudak has raised. I know we've been working very hard to assemble material. I will commit to this committee to report back on the timelines that we're working to.

**The Chair:** Thank you, Mr. Ward. Any more questions?

**Mr. Hudak:** Mr. Ward, thank you very much for taking the time and responding to my questions.

The first one I brought up related to an FOI request to the minister's schedule from January 1, 2004, that

appears to be about five months overdue. Is that common in the FOI office or is that out of the ordinary?

**Mr. Ward:** I would suggest that over the course of the past 12 months we've received an inordinate amount of requests from a number of different requesters. I am aware of this one and of a number of others that we're working very hard to try to assemble. I hope you can appreciate that a lot of time and effort go into trying to go back through records. Exhaustive work is put into it. I'm aware of this particular one. I know that we're working hard to piece some material together, as we do with all of our requests. I can tell you that we will get that information as soon as possible.

**Mr. Hudak:** Despite the amount of inordinate requests—and I can understand that, and no doubt you're doing your best—are you hitting the time frames under the FOI legislation or are you missing them regularly?

**Mr. Ward:** I'm pleased to tell you that the Ministry of Transportation is one of the top performers in terms of FOI requests, traditionally. But I can also tell you that this year, as I mentioned before, over the course of the last 12 months we have received an inordinate number of requests and we're working hard to keep our performance up in that regard.

**Mr. Hudak:** Are you still hitting the time frames? Are you still maintaining your reputation?

**Mr. Ward:** I have not checked this year's numbers. I'm reporting to you based on last year's numbers. As I said, over the past 12 months we have received an awful lot of requests that we're working hard to fulfill.

**Mr. Hudak:** The second one I brought to the minister's attention was a request for the cellphone bills for himself and his staff, including his driver. Cellphone bills tend to be just a list by month, or whatever period the cellphone bill is on, and they're usually together. They're not that hard to put together. Any idea on the status of that particular FOI request?

**Mr. Ward:** I am aware of it, and I do know that we're working to assemble the information. We will get that to you as quickly as possible, Mr. Hudak.

**Mr. Hudak:** Minister, the other area I wanted to pursue was the ongoing cost of the litigation with the 407 ETR. I understood from the conversation earlier that Mr. Bisson may have spoken a bit about this, if I followed. Have you discerned exactly how much the province of Ontario has spent under your time as Minister of Transportation on the 407 ETR in terms of legal costs?

**Hon. Mr. Takhar:** The 407 legal costs are subject to solicitor-client privilege. I don't have that information.

**The Chair:** Minister, I think the question was, how much of your ministry's time? You don't have a client privilege before the committee on the expenditure of in-house legal counsel, and I think that's the question. You have been asked the question about external legal advice. In case you didn't catch the question, it was about the legal counsel within your ministry and the amount that you've budgeted.

**Hon. Mr. Takhar:** I will let the deputy minister answer that.



**Mr. D'Onofrio:** The legal fees paid in respect of particular matters are subject to solicitor-client privilege. We don't have any specifics, and our counsel can't answer that right now, so we would be glad to take that question away and provide any response that might be forthcoming in that regard.

**The Chair:** I'm sorry to intercede, but I don't wish this line of questioning to be frustrating the committee either. Do you have lawyers currently employed in your ministry?

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**Mr. D'Onofrio:** The lawyers are employed by the Ministry of the Attorney General.

**The Chair:** Very well. So you have a transfer payment cost that accrues to your ministry for the amount of legal services that you require from time to time. Is that not correct?

**Mr. D'Onofrio:** That is true.

**The Chair:** So what is the amount that you transferred last year and are projecting for this year as your transfer to the Attorney General?

**Mr. D'Onofrio:** With due respect, Mr. Chairman, I'm told that in-house legal costs are subject to solicitor-client privilege.

**The Chair:** In-house?

**Mr. D'Onofrio:** Yes.

**The Chair:** That's the first time I've heard that, and I've been Chair of this committee for eight years.

**Mr. D'Onofrio:** That's what I'm advised by legal counsel.

**The Chair:** And you're required to tell us what you're advised.

**Mr. Hudak:**

**Mr. Hudak:** I see there's further advice coming in, Chair.

**Mr. D'Onofrio:** Mr. Chair, I can certainly provide to you, as stated in the estimates materials, the total amount that is expended in legal services for the Ministry of Transportation.

**The Chair:** I asked you that question earlier, yes.

**Mr. D'Onofrio:** That's on page 21. For legal services, the amount was \$2,541,600 as a total.

**The Chair:** And the previous year?

**Mr. D'Onofrio:** We can find that. I don't have that in front of me, Mr. Chair.

**The Chair:** Thank you.

**Mr. Hudak:**

**Mr. Hudak:** The \$2.5 million in legal services—please help me understand what that represents. Is that in-house? Is that services purchased from the AG's ministry? What is the \$2.5 million actually billed from?

**Mr. D'Onofrio:** That would be the internal legal services provided.

**Mr. Hudak:** So that's internal to the Ministry of Transportation. That would not include Ministry of the Attorney General legal costs.

**Mr. D'Onofrio:** That's the amount from the Ministry of the Attorney General that Mr. Chair was referring to—

**The Chair:** That's billed back.

**Mr. D'Onofrio:** —that is billed back to us, correct.

**Mr. Hudak:** The entire amount, the \$2.5 million.

**Mr. D'Onofrio:** Yes.

**Mr. Hudak:** When you do go to court or have your legal disputes with the 407, are you represented by lawyers from the AG or are you represented by private lawyers?

**Mr. D'Onofrio:** We're represented by both internal and external legal counsel.

**Mr. Hudak:** So typically, if a case is going before a judge or an arbitrator, is it the AG staff who are there, private law firms or a combination of both?

**Mr. D'Onofrio:** It is potentially a combination of both. For example, when we have litigation relating to the Highway Traffic Act, sometimes we rely on external services that we would engage in a certain area to augment the Ministry of the Attorney General lawyers that we have.

**Mr. Hudak:** Is there somebody from legal branch here?

**Mr. D'Onofrio:** Yes.

**Mr. Hudak:** Could we call them forward, Chair?

**The Chair:** Please.

Welcome, and please identify yourself.

**Mr. Colin Douglas:** Colin Douglas.

**Mr. Hudak:** Thank you, Mr. Douglas. What I'm trying to determine is an understanding of the dispute between the Ministry of Transportation and the 407 ETR and the process that has been involved to date. Can you give us a quick synopsis of the status of the 407-versus-MTO dispute?

**Mr. Douglas:** Sure. Most of those matters are currently before the courts. The advice we've provided to MTO is that since they're before the courts, these specific subjects shouldn't be discussed.

I think the press releases were made available earlier.

**Mr. Hudak:** The press releases were made available earlier? So there is information on the press releases?

**Mr. Douglas:** Yes, sir.

**Mr. Hudak:** OK. I do apologize. I stepped in to ask some questions. I don't have the press releases available. What is currently before the courts?

**Mr. Douglas:** It would be better, I think, if we could just get back to you maybe with some response. There's quite a list of items, and they're set out in the press releases.

As I said, most of them are before the courts, so it wouldn't be appropriate to comment on the specific details or state that they're in right now.

**Mr. Hudak:** I'm not really asking, Mr. Douglas, for details; I'm trying to understand what is currently before the courts in the general sense, what issues are currently being disputed between the Ministry of Transportation and the 407 ETR before the courts, and where they are in the court system exactly.

**The Chair:** Can I rephrase that? Is there someone from the ministry who can briefly articulate before this committee what has already appeared in the media to date as to what the question is before the courts that the

government's reacting to? I think that's a simple way of putting it, and I'd be satisfied as the Chair if you just gave us a short synopsis of what you've told the public of Ontario.

**Hon. Mr. Takhar:** I would like our ADM, who's responsible for this, to give you some—

**The Chair:** Thank you very much.

**Mr. Bruce McCuaig:** Good afternoon. Bruce McCuaig, assistant deputy minister of policy, planning and standards division.

In terms of the various matters that are before litigation or arbitration processes, they can relate to a decision with whether or not a change request under the terms of the contract is required in advance of a change in a toll rate. There are proceedings related to the judicial review of plate denial, which is another matter that's before the courts. There are a variety of disputes related to information that's provided through annual reports that are provided by the company to the province. There are appeals associated with decisions made by both arbitrators and judges in terms of—sorry, I've already repeated that one. Those would be the main items that are before the courts or before arbitration at this time.

**The Chair:** Do you have something to add to that, Minister?

**Hon. Mr. Takhar:** I have copies of all the news releases that we already gave, and I'm more than pleased to pass them.

**The Chair:** Thank you very much, Minister. The clerk will take that, and we'll get extra copies.

**Mr. Hudak:** Just back to Mr. McCuaig, there's been a dispute about when the base year is—the base-year decision. Is that in some of those that you mentioned, or is that in addition to that?

**Mr. McCuaig:** That's correct. There is a further dispute related to the timing of the base year.

**Mr. Hudak:** What's the status of the base-year decision dispute?

**Mr. McCuaig:** The base-year dispute is under appeal right now to the courts.

**Mr. Hudak:** There was recently a decision with respect to the base year that you're appealing.

**Mr. McCuaig:** That is correct.

**Mr. Hudak:** What was that decision?

**Mr. McCuaig:** The decision found in favour, in the majority of decision, of 407 ETR.

**Mr. Hudak:** Just a quick synopsis, if I could, Mr. McCuaig, on what the essence was of that.

**Mr. McCuaig:** The matters are before the courts in terms of an active appeal at this point, so I don't think it would be appropriate to talk about the details of the case.

**Mr. Hudak:** What does the term base year mean, then, to make sure I understand what that means? What is the base year?

**Mr. McCuaig:** The base year is the year in which the highway is substantially complete. Certain rights are bestowed to parties from that point on.

**Mr. Hudak:** So there's a dispute as to when the highway was substantially complete, and then various things would happen after that as a result of that.

**Mr. McCuaig:** That is correct.

**Mr. Hudak:** So it's currently being appealed. What was the level of court, or what was the most recent decision where that emanated from? Was it an arbitrator, a divisional court? Help me. I don't understand that.

**Mr. McCuaig:** The decision that's been appealed was an arbitrator's decision.

**Mr. Hudak:** Minister, have you had a chance to read the arbitrator's decision?

**Hon. Mr. Takhar:** I'm aware of it.

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**Mr. Hudak:** Did you have a chance to read it?

**Hon. Mr. Takhar:** I said I am aware of it.

**Mr. Hudak:** I'm aware of the arbitrator's decision too, but I haven't had a chance to read it nor do I understand much of the detail. I'm aware there is an arbitrator's decision.

**Hon. Mr. Takhar:** I said my answer is, I'm aware of this.

**Mr. Hudak:** I'm sorry, Minister. This is a very simple yes or no question. Have you had a chance to read the arbitrator's decision?

**Hon. Mr. Takhar:** I said I am aware of the decision.

**The Chair:** Mr. Hudak, the minister has answered the question.

**Mr. Hudak:** The minister has given an answer to the question. I'm not sure it's clear what the minister's answer means.

Minister, have you read a summary of the arbitrator's decision?

**Hon. Mr. Takhar:** I said I am aware of the arbitrator's decision.

**Mr. Hudak:** What direction did you give after having read the arbitrator's decision on how to proceed?

**Hon. Mr. Takhar:** Let me just talk a little bit about the 407.

**Mr. Hudak:** Minister, it's a very simple question, with respect.

**Hon. Mr. Takhar:** Let me answer.

**The Chair:** Mr. Hudak, you've asked the minister a question. It was general in nature about his thoughts after he was aware of the report. He's about—

**Mr. Hudak:** His direction, Chair.

**The Chair:** Fine. I wish to give the minister time to respond. If he's not answering your question, I will cut him off, but I'm not going to be the one to cut him off when he hasn't started answering.

**Mr. Hudak:** OK.

**Hon. Mr. Takhar:** Let me say this. I think the 407 issue is a very complicated issue. As I said before, it's a long-term lease and we need to protect our consumers and our drivers on the road. We are not going to leave them the way you left them in the lurch, being taken for granted and being abused for 99 years. So the base year issue is a critical issue for us. I am very much aware of the issue regarding the base year. Our feeling is that we



need to fight the 407 on every ground that we possibly can so that we can get the best deal that we possibly can secure for our consumers, our drivers, so that they don't pay tolls that are way out of range or unaffordable. If this highway had not been sold for the price it was sold for—it was basically given away—if it had not been done for a 99-year lease, and for 69 years almost for nothing, then we would not be fighting these kinds of things. The legal cost issue that you have been raising I think is a very small fee to pay for fighting in the interests of the consumers and the drivers in this province. So my instructions to my staff are that we need to fight and we need to keep fighting till we get the best deal for our consumers.

**Mr. Hudak:** Minister, you just said the legal costs represent a small fee to pay. Do you have a ballpark estimate as to what those fees would be?

**Hon. Mr. Takhar:** I think that question was already answered.

**Mr. Hudak:** With respect, it wasn't. I don't think I've directed it to yourself.

**Hon. Mr. Takhar:** I think the question was answered. The answer was that it's solicitor-client privilege and we will not be going into that detail.

**Mr. Hudak:** Are you willing to waive that privilege and release the cost of legal bills?

**Hon. Mr. Takhar:** What I'm prepared to do is fight for consumers and drivers in this province, and I will continue to do that.

**Mr. Hudak:** Thank you, Minister, but with respect, I've heard the speaking points a couple of times. It's a simple question: Are you prepared to waive the client-solicitor privilege and release the costs of legal bills on the 407 ETR?

**Hon. Mr. Takhar:** I think I gave you a simple answer: I'll continue to fight for the consumers and drivers in this province.

**Mr. Hudak:** I'm not sure exactly why they are exogenous, why one would mean that you wouldn't do the other. You've made your point, that you want to continue to fight, but you also made another comment that was a bit extraneous to that, saying it was a small fee to pay. I'd simply ask you if you're willing to waive privilege to allow those legal bills to be released.

**Hon. Mr. Takhar:** Let me say this again. I think disclosing even ballpark figures for legal fees could be construed as a waiver of the privilege. Accordingly, this information also cannot be disclosed without the real risk of losing the privilege. I hope you've got that now.

**Mr. Hudak:** No—

**The Chair:** Mr. Hudak, the Chair accepts that ruling and the minister has responded in writing to that. It's the position of the Chair that the minister's answer is no, he's not willing to release that.

**Mr. Hudak:** Or to waive the privilege?

**The Chair:** Whatever his reason, the answer is no. You have an answer. Can we move on?

**Mr. Hudak:** Minister, you said earlier on with respect to the arbitrator's decision on the base year decision that

we need to fight. Was it you who gave direction to appeal that case?

**Hon. Mr. Takhar:** I think we need to protect our consumers, we need to protect our drivers. So it's not one issue; it's all the issues considered together that forms the case. The driving force behind here is that there are 93 years left in this lease. It's not in the best interest of our drivers; it's not in the best interest of the consumer. It was not a good contract, and we need to keep fighting until we secure a good, reasonable deal for our consumers and drivers.

**Mr. Hudak:** Minister, I mean this with respect. You haven't been entirely helpful in responding to a number of my questions. You've just avoided my most recent question, which I will repeat. It's a very simple question: When you received the arbitrator's decision, who was it who made the decision to appeal it?

**Hon. Mr. Takhar:** I think I will repeat the same answer I gave to you before. We need to protect consumers and drivers in this province. It's not a good deal that you signed, or that the previous government signed, with the 407. There are 93 years left. We have an obligation to protect our consumers and our drivers, and we will continue to do that.

**The Chair:** Minister, could I ask this question this way? Is it fair to understand that this matter had to go before cabinet before you proceeded with the suit? That's a very simple, safe question.

**Hon. Mr. Takhar:** Our opinion basically said that this is not a fair deal and we need to protect it. We are all unified behind this. This decision has the support of the Premier's office and everyone else.

**Mr. Hudak:** I appreciate that, Minister, because that's a concern. I actually think it's probably Don Guy who's making these decisions and not yourself, in terms of how to fight. Have you had a conversation with Mr. Guy about this particular arbitrator's decision?

**The Chair:** Mr. Hudak, we're not here to impugn motive. This is a legal undertaking by the government of Ontario through this ministry. That's a matter of public record. If we can bring this back to the estimates, that's perfectly in order. But we're not here to discuss who made the decision. It's on the record that the cabinet, the Premier's office and the minister were involved.

I want to complete these estimates in a few minutes, and I would ask you to move into a new line of questioning, please.

**Mr. Hudak:** OK. Thank you, Chair.

With respect to the base year decision that was recently lost in arbitration, will that decision be released to the public?

**Hon. Mr. Takhar:** I think we have given you all the information that we have released to the public. I just handed it over to the Chair, and it was given to all the members before.

**Mr. Hudak:** The arbitrator's decision?

**Hon. Mr. Takhar:** All the news releases we did in public have already been given to you.



**Mr. Hudak:** But the arbitrator doesn't deal in news releases; the arbitrators would write an actual decision, which it sounds like you have reviewed. I'm just asking, Minister, before the estimates committee, to ensure that the money given to the Ministry of Transportation is invested wisely, will you release the arbitrator's decision?

**Hon. Mr. Takhar:** We have given you all the information that we have released publicly. I just gave it to you, and you should look at that first before asking that. The particular decision is a confidential decision, and we will not release that.

**Mr. Hudak:** Getting back to Mr. McCuaig, the lawyers who were used in the base year decision arbitration decision by the Ministry of Transportation, was it the AG's office? Was it a private law firm?

**Mr. McCuaig:** I think it would have been a combination of lawyers, both internal and external counsel, who contributed to that particular case.

**Mr. Hudak:** Do we know which external counsel was used?

**Mr. McCuaig:** No, I don't have that information. I couldn't tell you.

**Mr. Hudak:** Maybe, through the Chair, if I could request the external counsel that's been used in all of the cases that Mr. McCuaig referred to.

**The Chair:** That's in order.

**Mr. Hudak:** Thank you.

**The Chair:** You're requesting the list from which the ministries choose counsel, correct?

**Mr. Hudak:** I would request that, certainly. Mr. McCuaig also outlined four different proceedings that are taking place: one with respect to the change request, the judicial review of plate denial, the information contained in the annual reports, and the base year decision. I'm also asking for the outside counsel that was utilized in those four proceedings.

Let's move on to a different line of questions.

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**The Chair:** You have about seven minutes left, Mr. Hudak.

**Mr. Hudak:** Thank you, Chair.

The communication side of the Ministry of Transportation: Under whom would that fall?

**Hon. Mr. Takhar:** I have one person on my staff who does communications for me and there is a communications department under the ministry.

**Mr. D'Onofrio:** The director of communications at the Ministry of Transportation currently is Ms. Kimberley Bates.

**Mr. Hudak:** Is Ms. Bates currently available?

**Mr. D'Onofrio:** I don't believe she's here with us today.

**Mr. Hudak:** If a communications contract is being hired by the Ministry of Transportation, are they always competitive? What's the procedure for a communications contract with an outside consultant?

**Mr. D'Onofrio:** As with any procurement, the communications area is subject to competitive processes.

**The Chair:** Is it safe to say that it follows the Management Board guidelines and therefore the minister has latitude under \$20,000, and over \$20,000 it must be a competitive process, as I understand it?

**Mr. D'Onofrio:** There would be those thresholds, and I would add that there is also the vendor of record, the pre-approved listing of companies and firms available for those purposes.

**Mr. Hudak:** And that's government-wide; that's not just by the ministry?

**Mr. D'Onofrio:** Correct.

**Mr. Hudak:** Right. The Edelman consultancy was hired to do a communications program with respect to the 407 ETR contract. Was that a competitive contract?

**Mr. D'Onofrio:** I'm sorry; I don't currently have information about that.

**Mr. Hudak:** Is there somebody here whom the communications individual would report to directly?

**The Chair:** I'm not seeing anyone, so we will accept that as a request from the committee for information.

**Mr. Hudak:** To be clear, Chair, on the Edelman contract: whether it was awarded competitively or whether it was sourced as a sole-source contract with respect to the 407 dispute, and the value of that contract.

**Mr. D'Onofrio:** I don't have that information with me.

**The Chair:** It's on record that it's been requested. Our researcher has it recorded. You can proceed, Mr. Hudak.

**Mr. Hudak:** Edelman Spain also did some work in Spain, sending out some rather inflammatory press releases against the Cintra group, one of the owners of the 407 ETR. Minister, do you care to explain why government money was used to embarrass a company in a foreign jurisdiction?

**Hon. Mr. Takhar:** I think I have already made it clear to you that the 407 contract that your government signed was not a good contract. It basically gave away the rights to control the tolls in this province. We are fighting to bring that contract under control. As I said before, it is our duty and obligation to make sure that we protect consumers and drivers in this province. All those measures are taken in that context.

**Mr. Hudak:** Christina Blizzard wrote a column that I think you're quite familiar with, because she was trying to speak to you about it for some time: "Hwy 407: Que Pasa?; Christina Blizzard Asks, Why is the Government Spending our Money to Criticize the Highway's Owners in Spain?" I asked you a pretty direct question there: What is your knowledge of your ministry hiring Edelman in Spain to conduct this campaign in a foreign jurisdiction?

**Hon. Mr. Takhar:** Let me tell you what my objective is. My objective is very clear, and that is to defend the interests of the drivers and consumers in this province. That means we have to do whatever it takes, and we will do that.

But I also want to go on record to tell you that our working relationship with the 407 is very good. We constantly discuss issues with them and try to resolve

them in an amicable manner, and not in any tone, way, shape or form that you are trying to portray here today.

**Mr. Hudak:** Minister, in a recent press release you said that the 407 ownership was contemptuous of the government, customers and people of Ontario, and that they had failed to live up to their contractual obligations. Would you describe that as an amicable relationship, when you use that kind of inflammatory language?

**Hon. Mr. Takhar:** Let me repeat it again: Our relationship with the 407 is very constructive and very good. Your government may have liked to push everything under the rug and try to cover things up. We are not going to do that. We are going to call them to account wherever they need to be called to account, and we are going to give them the carrot wherever the carrot needs to be given, and we will continue to do that.

Our relationship with the 407 is very good. We work together well, but wherever there are deficiencies we need to bring it to their attention. Customer service was one of those issues, in addition to the tolls in this province. We are not afraid to pinpoint that to them. I think that's the only way to really improve customer service and give the drivers and the consumers what they really deserve. We're not going to leave them behind. The previous government sold this highway for almost nothing, for 99 years in this province, without putting any controls on this. If you had done your due diligence, we would not be in this shape today and spending any taxpayers' money on anything like that. All we're trying to do is protect consumers. If you had done your job and not given this away, just because you needed money to balance the deficit in a given year, we wouldn't be in this shape.

**Mr. Hudak:** Minister, you just spoke about the importance of protecting taxpayers' dollars. Did any taxpayer dollars flow to Edelman Spain?

**Hon. Mr. Takhar:** I think you should have asked that question when you sold this highway, and you didn't.

**Mr. Hudak:** Minister, with respect—

**Hon. Mr. Takhar:** Hold on. Let me answer the question.

**Mr. Hudak:** Edelman Spain was engaged—

**Hon. Mr. Takhar:** I will answer this question. Hold on a second.

**The Chair:** Minister, please. The question was a specific question; it wasn't an open-ended question. I recognize Mr. Hudak, who is asking a question. If you would like to answer the question—

**Hon. Mr. Takhar:** I'm going to answer the question. I'm saying that we need to protect consumers and we need to protect our drivers. That means that sometimes you have to spend some money in order to do that. We are very frugal with any taxpayer dollars we ever spend. But there are 93 years left in this bad deal that your government signed, giving this highway away without putting any adequate controls on tolls. This is unbelievable; it's unimaginable. I don't know how you even have the guts to ask these kinds of questions in this committee after giving away the 407 like this.

**Mr. Hudak:** So it sounds like the answer is yes, Minister, on Edelman Spain.

**Hon. Mr. Takhar:** You can interpret it the way you want.

**The Chair:** Mr. Hudak, you have one minute.

**Mr. Hudak:** Thank you, Chair.

Minister, you just said the previous government was sweeping things under the rug and that you would not operate in that manner. Today, I've asked you a series of questions with respect to your cellphone bills and those of your office. You've decided to not assist us in getting those out publicly, sweeping them under the rug. You have declined to put forward your schedule, despite a five-month delay. You seem quite keen on sweeping your personal schedule under the rug.

Let me ask you some very direct questions about the legal costs that you have incurred on behalf of the taxpayer in your political battle with the 407 ETR. You've refused to release those or even give a ballpark figure, sweeping them under the rug. As well, with respect to the Edelman contract in Spain, you've avoided my question. The legal decisions and the arbitrator's decisions that you've ceded that you have read and have acted on upon appeal, you refuse to release and are sweeping them under the rug.

Minister, can we expect in the time ahead that you will correct this behaviour and make these things public for members of the committee?

**Hon. Mr. Takhar:** Let me answer this question. I think, if you hadn't made the kinds of mistakes you made on the 407, you wouldn't even be asking these questions. You gave this highway away. You gave it away for \$100 million for 99 years—for 99 years for 100 million bucks. What do you expect, not to protect the consumers? We are going to protect the consumers and we are going to protect the drivers.

Let me also be very clear to you on this issue. I do not interfere in FOI requests. You have followed the process. Keep following that process. You will get that information and you're going to be sorely disappointed that you even asked for that information.

**The Chair:** Thank you very much, Minister. If you'd like just a couple of minutes to sum up; then I would like to proceed to the vote. I want to thank your staff for their attendance here and for the completion of these estimates. If you'd just quickly like to say a few closing comments, Minister.

**Hon. Mr. Takhar:** Mr. Chair, I want to thank you for giving me this opportunity to highlight some of the achievements of our ministry. The Ministry of Transportation is working very hard to provide customer service and safety in this province. I have enjoyed the opportunity to provide some insight into the priorities and the work of the Ministry of Transportation. I'm quite proud of the work we have done.

I'm also pleased to thank the members of this committee, who have constantly been changed to suit the purpose of some of the parties, but that's OK. We can all agree that transportation is an important matter for all of

our constituents. The opposition members here today, like me, are hopefully striving for the best possible transportation network.

As I said in my opening remarks, that means safe and efficient transportation. That is what people care about: When we're stuck in traffic, we are not out enjoying life; no one wants that. Our government is creating a transit culture in Ontario, and we are making progress toward that. We are also planning ahead to meet the growth needs of our province and, in my ministry, safety is our top concern.

Chair, with those remarks, I want to thank each and every one for giving me the opportunity to do that.

**The Chair:** Thank you very much, Minister, and your staff.

As per our agreement, we're prepared to proceed at this point.

Shall vote 2701 carry? All those in favour? Opposed, if any? That is carried.

Shall vote 2702 carry? All those in favour? Opposed, if any? That is carried.

Shall vote 2703 carry? All those in favour? Opposed, if any? It is deemed carried.

Shall vote 2704 carry? All those in favour? Opposed, if any? Then it is carried.

Shall vote 2705 carry? All those in favour? Opposed, if any? Then it is carried.

Shall the estimates of the Ministry of Transportation carry?

**Mr. O'Toole:** A recorded vote on this, please.

### Ayes

Arthurs, Kular, Lalonde, McNeely, Milloy.

### Nays

O'Toole.

**The Chair:** Then it is carried.

Shall I report the estimates of the Ministry of Transportation to the House? All those in favour? Opposed, if any? That is carried.

This meeting stands adjourned until next Tuesday, immediately following House proceedings, at approximately 3:30, at which time we will begin the estimates for the Ministry of Education.

*The committee adjourned at 1751.*











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**Standing committee on  
estimates**

Ministry of Education

**Comité permanent des  
budgets des dépenses**

Ministère de l'Éducation

Chair: Cameron Jackson  
Clerk: Trevor Day

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## STANDING COMMITTEE ON ESTIMATES

Tuesday 1 November 2005

## COMITÉ PERMANENT DES BUDGETS DES DÉPENSES

Mardi 1<sup>er</sup> novembre 2005

*The committee met at 1558 in committee room 1.*

### MINISTRY OF EDUCATION

**The Chair (Mr. Cameron Jackson):** Good afternoon. I'd like to call to order the standing committee on estimates. We are here to begin up to seven and a half hours of estimates for the Ministry of Education. I'm pleased to welcome the Honourable Gerard Kennedy. Minister, you have up to 30 minutes for an opening statement. Do you have a prepared statement? If you do, we'd like to get a copy of it in advance.

**Hon. Gerard Kennedy (Minister of Education):** Thank you, Mr. Chair. I'm sorry, no, I just have notes for my statement, so I'll provide that in the best manner I can and hopefully in a way that allows people to follow and make inquiries.

**The Chair:** Very good. That's fine. We're in your hands.

**Hon. Mr. Kennedy:** It is a pleasure to be here. I'm joined today by Deputy Minister Ben Levin and assistant deputy minister Nancy Naylor. I want to say at the start that we have a very hard-working bureaucracy and support group at the Ministry of Education who have done a tremendous amount on behalf of students in this province, working with and forming, for the first conspicuous time in a long while, a real partnership with our education sector, comprised of our 72 school boards. I mention that off the top because it's no mean feat. It is something that I think every government probably aspires to but, for whatever reasons, one of the qualities of the environment that we found coming in was that that partnership didn't exist, at least not fully and certainly. Some would say the opposite conditions were in place in at least a large part of the province.

Part of our approach in education since gaining government has been to create a climate for student success. When I say "climate," that's not just programs, that's not just funding; it's also how the dynamics of education work best, and particularly what is the right role for the Ministry of Education, which, among ministries, is relatively small in the actual number of people who work under the aegis of the minister, but it is instrumental.

The outlook that we bring is characterized as the new 3Rs. The new 3Rs in education in Ontario are respect, responsibility and results. The first of those, in terms of respect, is how to get the best dynamics from the various

constituent parts of the education effort. That means everyone is involved, from parents to students, teachers, education workers, trustees, the school board administration, but not limited to what people have seen as those who work full-time in the education system or have an abiding interest in it. That simply isn't sufficient for us to be able to do the task at hand.

The task at hand and the reason why respect is so important is that we have to not simply do well; we have to make up for some time that was lost. Part of the context, and where we try and instill this environment of respect, has been where we had 26 million lost school days to students because of lockouts, strikes or protests; also, where we had a drain away from the consensus position of governments of all political stripes since Confederation, which is that publicly funded education should be adequate—should be excellent, in fact—sufficient that people send their kids to that system. We saw, for the first time since these statistics were kept, a significant draining away of kids leaving the system under the last administration. We understand that respect means we have to take into account the views of existing parents who may have made other choices under conditions of duress.

We felt it is very important to make that, first and foremost, the way we tried to bring together the significant capacities of the system, so we have made a number of initiatives in that regard. Last year, we terminated the supervision that was put in place by the previous government, which was proven to be without economic foundation. There may have been other, more political goals. The general outlook has been one of trying to extend respect to the trustees in that instance, to the people in each instrumental part of the system, by working as a provincial government to first of all declare that we're not the final authority. We don't have all of the answers when it comes to getting a complex system. It is, I think, important for the people of Ontario to realize that we have one of the largest cohesive education systems in North America, with two million students, 4,800 different schools, 72 school board administrations and a number of school authorities besides, and four different ways of expressing publicly funded education in this province. To be able to do that, we felt it was very important to try and build coherent working relationships. We feel that the first full school year we had, as well as the part of the 2003 year where we were able to make an impact, was about building a platform of

respect, stability and peace within the system so that it could focus on the real job at hand.

I would characterize what we have ahead of us as a turnaround year for this system. It is one where progress does need to be made. I think we spent our time in the first two years making sure that all the ingredients were in place, putting a number of the resources, plans and ideas forward so they would have time to generate those results, because that is not just an important element, in and of itself, and what it means for better student performance, but it also means that we have an ability to reconnect some of the public when we're able to do that.

That's what "responsibility," the second R, means to our ministry. We're taking responsibility and we're trying to define it better: What the provincial government actually does vis-à-vis the boards. We certainly accept that funding is part of that responsibility, but there are other elements to it as well. There is a certain amount of focusing that the system requires, there's creating the conditions and the environment in which people succeed. To us, those things matter as much as the investment. What we're asked today to look at is that investment. But of course you will want that investment explained in terms of a context—are we getting the results?—which I will turn to shortly. But certainly the responsibility taken by the provincial government has been significant. There's a \$2-billion investment that we've made because that was needed, in part, simply to stabilize the system after years of dollars being taken out—by attrition in some cases and by direct cuts in others—of an under-investment in education.

The interesting thing is that it stood in direct contrast to virtually every other jurisdiction. There was no other Canadian province or American state we could find that took money out of education in the preceding eight or 10 years except for the province of Ontario. The province of Ontario fell significantly behind in terms of GDP or population or student population or simply in terms of inflation-adjusted funding. Those are the kinds of things that didn't happen.

In terms of that responsibility, it was outlined quite clearly by Dr. Rozanski in his report to the previous government, where he added a number of things: the idea of responsibility and the idea of adequacy being part of that job; that role for the provincial government.

We have taken that responsibility but not limited it to the idea of funding, the \$2 billion that we've put in. We would hope it would be clear that every component of that very significant investment has a strategic impact. It's meant to. It's meant to make a difference, not simply purchasing a certain number of teachers or a certain amount of textbooks, but actually fitting together as a coherent strategy, improving the dynamics and building on the respect that we think we've been able to bring to the system. Our responsibility is certainly to do that, to respond to the discernable needs, and to do that in a way that makes sense.

I can give some examples that are conspicuous for this year. We have a second-year investment, for example, in

terms of class size reduction of about \$90 million in operations and up to \$30 million in capital, because we want to make sure that everything does fit in terms of this enhanced system. I think members of the committee will recognize that it means every child in JK to grade 3 fundamentally will have an improved learning environment. We will take the 18,000 classes that were over 20 and we will be bringing those down assiduously, and bringing those benefits to the learning environment right across the province.

It's part of what we call our Every Child strategy. The Every Child strategy is simply characterized: In our estimation, there is a need to see that every child by the age of 12 has significantly achieved their potential in terms of literacy and numeracy. That is a goal that we have. We've set an interim target for that, which I think most members are very familiar with, so every child should reach their potential. We've said that 75% can actually reach the provincial standard. There were numerous people who said to us, "No, you can't do that. Those results can't be moved." And sure enough, it's true, by conventional wisdom and conventional approach, there had not necessarily been success. There had been no target-setting. There had been no ambition put forward for the system. But we felt, again, it was part of our responsibility. We can't simply invest. We need to be looking for the kinds of strategic things that we need to help boards cause it to happen. That moral purpose of having and making sure matters to us quite a bit. We hope that 12 years old is something that everybody realizes is kind of a demarcation when it comes to the educational development of any child about to become a young adult, about to become pretty familiar with whether or not they've got the capacity to go forward. It's a time of pretty significant self-definition, and if that definition doesn't include academic success by then, we have an enormous task, in terms of the data we have from a variety of efforts, in terms of high school or post-high school, to try and recover that.

So we've made that investment and set those kinds of goals because the final R I'm addressing today, in terms of results, matters significantly. Being able to take up our responsibility and put this forward, I think, has made a great deal of difference in terms of the system being able to then get the permissions it perhaps strongly lacked before to be able to make some of these things happen.

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Just as I'd like to give credit to the ministry in terms of being able to pull together a coherent agenda and the supporting programs for that, I want to give credit to the sector, because I think there is already evidence, based on our first year and a half, that the investments, coupled with the commitment and the skill of the people working in the system, have made a difference.

For example, we came in at about a 54% level of achievement, if you average the various tests that are taken by students in the grade 3 and grade 6 environments, and we now are at approximately 62% in terms of their achievement. There is more to be done; there's no



question. We have 75% as a marker and we only have the next three school years to achieve that. But we do think it demonstrates already that the premise is sound and that there can be a focus addressed that the system can respond to.

When you unbundle some of those top-line things, you see that we have made progress in areas, for example, with high aboriginal populations—very strong turn-arounds. We've made some investments. Part of the dollars we've put forward have been for lighthouse programs. We're able to take an idea that is either working with a small number of students or one that has high possibilities of working with a small number of students and make that available to more students. It has worked.

In other words, in Ontario we've got all the ingredients we need to be able to bring this forward. It is very much a made-in-Ontario strategy. In some ways we are reinventing how education is able to have this focused capacity, able to work together.

But we're doing that not at the Ministry of Education—certainly not exclusively—but at every school board around the province. There are very few boards—I think we're down to about 12 now—that have not shifted themselves out and forward from the categories of having averages that are way below others. The movement is very significant. Hundreds of schools have moved forward in terms of their ability to reach the provincial target. It's not the number that matters; it's those students, their teachers, their education assistants, their trustees, deciding this would be important.

I think it's worthwhile noting, because we're here to defend and promote the kind of expenditures that are needed for education, not just because they're what every other country in the world that has aspirations for good jobs and good societal engagements for their citizens is doing, but because on the Ontario merits this is a good investment. That would certainly be the premise of my presentation to you: that the responsibility taken by the provincial government is inclusive of a very strong agenda that merits that kind of investment.

We realize that needs to be demonstrated, because it is a significant investment. There hasn't been an investment like this, of the kind that's been made in the last two years, ever in Ontario education. We didn't have the kinds of deficiencies that were there before or the kinds of stresses and strains, but at the same time, I think there's a very strong upside in terms of seeing how quickly the teachers, how quickly the principals, how quickly the different folks contributing to the educational achievement in this province have been able to show us evidence of things to go forward.

It does not mean in any way, shape or form that we've arrived or that we have any sense of accomplishment fully yet for the system; only that we have evidence that the kinds of things we put forward are bearing some fruit. I think it's very important, because it's been too easy to put "crisis" and "strike" and other things in the same sentence with "publicly funded education in Ontario," and much harder to put "success" in that sentence. I think

that's what people are increasingly experiencing at their local school, in their local boards and in their families, in terms of how their students are striving forward.

I think that's what we look at the remainder of our investments being: each of them unlocking some of the potential that students have.

We've made significant investments in terms of special education. I've said to public audiences that I think that's one of the most important developments, and I believe it happened under a Conservative government in 1984. We started to recognize that every student deserved to have an equal chance at an education. We're not there yet in accomplishing that, but it is, I would say, extending citizenship to groups of students who belong in society, who can be as self-reliant as their potential will allow them, simply because that decision was made.

The ability to make that happen is still, at least in good part, ahead of us, but we have significant reforms taking place and investment has already happened. We put in \$165 million in our first year. We then put in another \$45 million last year, and there's another \$40 million this year. We recognize within our group of students the highest number of students with acute special needs of any education system. It matters because we are differentiating some of the needs that are out there in a more effective fashion, but still, our special education reform, which is led by my parliamentary assistant Kathleen Wynne and Professor Sheila Bennett, is making progress in terms of actually turning around from a process that was really based on what problems some of these students with special needs had and more into what kind of educational outcomes we can get, so that if somebody has a severe behavioural problem, what can actually work for them? We're putting ourselves in that business.

It's an instrumental role for the ministry to play, rather than having 72 boards solve that problem by themselves, but still letting the boards customize and tailor their programs to fit the students who are walking in the door. If there's another feature of the juxtaposition between our investment and the results we're trying to get in our taking of responsibility, it's been about that. It's taking a one-size-fits-all funding formula and actually conditioning it into one that now fits more of the reality that a very large province like Ontario has, so we have very significant components that recognize the rural differences in this province, and the urban differences are also featured now in terms of how the funding formula works. We are getting at some those specialized needs.

Members of the committee may be aware that about 75% of our funding is there for every student and about 25% is funding that targets particular outcomes we want to achieve, whether it's special needs or some of the other things we support for rural students and for those in urban areas. They are, I think, really welcome and useful additions in terms of how the system is now able to respond in the way it should, because the hazard of a unitary-funded system is that it could become non-responsive; it could simply be a one-size-fits-all and let the chips fall where they may. Well, those chips aren't



chips, in this case; they're kids. They're children and young adults who need to be recognized by their individual instructors, their teachers and their principals as having a certain kind of potential and a certain kind of need.

That individualized instruction goes to the heart of our two main strategies, which are the Every Child strategy I've spent some time talking about in terms of K to 6, and our student success strategy from 7 to 12. We really are trying to emphasize a platform that says we reach children at the time when they can best be reached, which we think is at the earliest age possible. We link very well with the Best Start program that has been brought in by my colleague the Minister of Children and Youth Services, in that expansion of early learning taking place, especially for four- and five-year-olds, and wherever possible within the school environment, with the smaller class sizes, and then with the interventions.

Some of the things we're able to put forward, I think, have been very strongly supportive of that—more specialized teachers—and they support our companion strategies, for example, of everyday physical activity, so we have physical education expanded. We have now agreed to have 2,000 more specialist teachers—600 this year—in our schools actually providing for that component. We do that, yes, because it's a good health initiative, in the sense that it makes sense to contribute, not to take over, not to do anything but what parents expect a school to do in terms of the development of students, helping with that in a significant way, as I think a lot of parents assumed schools were still doing or certainly experienced themselves and believed was partly the co-responsibility that could be picked up by the official publicly funded education system. So we're going to be able to do that and we're also instituting daily physical activity to make sure it is an everyday habit we start to acquire.

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I had the opportunity to spend some time in a class recently—I actually visited with the First Minister of Scotland—where they were doing the daily physical activity, and there were a couple of things that wouldn't be immediately apparent. One was that the kids are so interested in it, they ask for it four or five times a day. They love to do the daily physical activity and the teachers find it makes them better students, because even though there's a strong health implication, the best thing here is, it's good for learning. It also has an ancillary benefit: It's good for teachers, because it gets teachers up there, stretching and doing things at least a few times a week to supplement what's being done by the phys ed teacher. It is, we think, very linked to that goal of getting everyone to reach their potential, or a significant portion of it, in terms of their basic education and their foundational skills by the age of 12. That daily physical activity is a significant part of that, and we've been able to bring that together this year.

Our other main strategy that has had significant investment on our part is the student success strategy. Student success is simply taking a legacy that is, to me, as

consequential as any fiscal challenge that the province has as a number—in some ways more important, because it talks about as many as 15,000 additional students each year not getting a high school diploma and not making the transition to some form of recognized success, not achieving a meaningful outcome in terms of what they're able to get done through their high school career. For some of them, and for too many, unfortunately, it makes them not feel like they've accomplished anything in their entire education career because they didn't achieve that.

That took place because of a variety of factors which we've carefully tried to analyze in terms of where the problems are for Ontario students. Why would we have a 56% four-year graduation rate under the new curriculum brought in by the previous government compared to graduation rates of 68% at the low end and 83% at the high end for comparable provinces, and why would those factors be so much in evidence here?

We think we have many of the answers in terms of that particular challenge, and we're putting them together in terms of our student success strategy. We are looking at a variety of things, some of which we'll announce quite shortly in terms of more detail, but certainly we believe it's very important to, first of all, declare an interest in these students. That's why we will be bringing forward legislation that will raise the school leaving age to 18. In 1921, it was 16. It's simply that times have changed, and changed significantly.

But the real challenge is to have those students want to stay in school, to ensure that the curriculum has them learn as much as possible, so that they get to that meaningful standard that is our high school diploma. We believe that can be done. In fact, we believe there's already been some progress. We think our high school four-year and five-year rates have both improved by about four points. There was an increase from 56% to 60% after one year as a four-year graduation rate, and in the five-year rate it looks to be about 68% to 71% or 72%; so a similar kind of jump there.

But there's a long way to go, and every milestone along that way represents students whose futures are pretty much on the line. There is no really good outcome there for too, too many of the students who aren't able to achieve that diploma. We have a net job shrinkage of about 3.2% every year—fewer jobs for those of our students who don't achieve a high school diploma. So we understand very well that there's a lot at stake in terms of making sure that they get through.

A lot of the data we've used to inform our strategy are data that have been available to provincial governments for the last three or four years. It was particularly constructed by Dr. Alan King at Queen's University, and it tells us a number of things. For example, it tells us that the high school curriculum, for whatever reason, did not work from the beginning in terms of an entry for the students coming in from elementary. In fact, every minister has known that that grade 9 level where there was supposed to be some beginning differentiation, the ability of students to start to be respected as having

different ways of learning, would actually be expressed in terms of the program.

For example, applied math had very high failure rates: less than 75%. Even after two years of remediation, we can say we've only been able to get an extra five points of students passing the test that measures achievement in the curriculum, and the failure rates have been very significant in the actual courses. Only 3% of the students who failed applied math actually got their high school diploma subsequently within four years. It was a sentence to them of a certain kind of educational purgatory where they couldn't get their grade 9 credit; therefore, they couldn't achieve their grade 10 credit. Many of these students had to take this over and over again and it simply, for whatever reason—I guess maybe a different definition of what the provincial government should be involved in or really defies a full explanation—is now changed.

We put in place last year, the first year we could, locally developed courses that would allow students to make that transition, and now we have a new applied mathematics course. That math course, just to give you an idea, was a 93% match. So the one third of students who learn differently, who have always, and in all of our education systems, had an option available to them, had an option taken away because the course they were offered was 93% the same. It struggled significantly in terms of students being able to learn that, and the match we've put forward is about a 55% match.

I would say to all members of this committee to look at that curriculum. It is not in any way an easy math course. It is different, though. The way it was originally advertised and intended is that it goes more to tactile learning. It goes to more hands-on kinds of concepts and it is less dependent on abstract mathematics. It has a real-world application. These are students who can take that and apply it as technologists. There's a whole range of good outcomes in the future, but they simply could not do it because the course material wasn't put together for them in a way that was respectful of them. That was something we felt had to be dealt with, and therefore we did, but all the rest of the high school curriculum is intact and is there to challenge students. I will say this: that more students will take more math, will achieve more and learn more because we've made a better entry possible for them into their high school careers.

I would say as well that our overall thrust in student success is exceedingly important. We now have student success teachers available in every school this fall. That's to make sure we don't wait till grade 11 to learn when students are struggling. We will have a teacher whose job it is to carry a caseload of students who are academically struggling.

**The Vice-Chair (Mr. Garfield Dunlop):** Minister, you have about four minutes left, please.

**Hon. Mr. Kennedy:** Thanks very much. That caseload we think is very important, to complement what's being done by guidance counsellors, to complement what's being done by principals and to really infuse

individual classroom teachers with that sense of respect for those students, because that's really where we think our biggest struggle is, which is unfortunately inherent in our system. There are outcomes that I think many of us went to school under that are being really done well within the system. We have some 33% of students graduating to university, but we can't say to the other 67%, "There isn't a good outcome waiting for you."

That's effectively what has happened because, with the difficulties for students in the applied courses, we've had a reduction in applications to colleges and we simply don't have the same number of students going through to that level of success. As I mentioned before, it's most conspicuous that we have a big jump in students who are not able to get a high school diploma at all.

Our approach there is to make sure that there is remedial and credit recovery available to students, that we're able to provide for them better learning in what they're doing.

There are also a number of other measures we think will help; for example, creating respect for apprenticeships in terms of making that one of the outcomes people strive for for job placements, with training that in our system today had kind of become an afterthought rather than something that was really there and had meaning, because in every respect we are going to ensure that a high school diploma has significant meaning. It must. There are no favours we can do for students by not making sure they learn, and because the curriculum wasn't sized to some of the different potentials students have and start to express by grades 9 and 10, we denied some of them. We basically, as an institution, were not respectful of what they had to contribute in the future, and that is going to change.

We will shortly announce targets for this as well because we think it is so vital that we find ways of moving students forward, that they're actually doing better in terms of their acquisition of credits and ultimately their acquisition of diplomas. We have made an investment there as well. It is a significant investment. There are 1,300 new teachers in our high schools. They're doing two things. They're providing support. For the first time we have class size limits. They apply for some of those courses of our most challenged students in terms of those who may struggle, but they also help to put limits on a wide range of courses because that was simply undermining some of the credibility of our education system under the previous funding and the previous way that support was denied to some of those students.

We have a strategy that incorporates as well some of the best learning we've been able to do. In the last two years, we've spent approximately \$36 million on a variety of projects. Again, this is getting the best out of the system. We have a tremendous amount of ingenuity and enterprise within education, so what is learned in Renfrew or what is learned in Windsor needs to be applied in Toronto or Hamilton or anyplace that the same or similar students are coming in the door. Those are the



kinds of things that have characterized our spending commitments in the last two years and certainly in this year going forward.

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We do believe that progress is going to be based upon a real focusing of efforts on these particular students going forward, but it is not to two-dimensionalize or in any way take away from an enlarged education. Our commitment as a government is to the intellectual, physical and emotional potential of students, and we've shown that with our healthy schools initiative. We will also be bringing forward an arts and education initiative. We understand that a premise, before we can even start to have kids learn, is about safe schools, so we have already brought forward some initiatives: a safe welcome program for elementary schools, and very soon we'll have an anti-bullying program in place and resources for every student affected by bullying. We'll also be reviewing the Safe Schools Act and making sure that we have devices in place that are respectful of students and are fair in every respect in terms of how they come forward.

I guess what I would say, Mr. Chair—and I don't know how much time we have right now. Is it—

**The Vice-Chair:** You're already over.

**Hon. Mr. Kennedy:** OK, I'm over. Can I just say this? We have a plan that I think is worthy of the committee's support and worthy of the investment the government has put forward.

**The Vice-Chair:** Thank you very much, Minister. I now have up to 30 minutes for the opposition to make a statement and/or questions.

**Mr. Frank Klees (Oak Ridges):** Thank you, Minister, for being here. I don't think there's too much in what you've said in terms of the objectives you've set out that any of us would disagree with. I think we all want the best for our students. We all want to ensure that teachers have the resources available to them. But this is estimates and we're here to talk about where the money that is being committed to education is going and what the programs are.

The reason I'm going to give you this list of requests early is that it would give your staff an opportunity to collect this information so that it would come back and we could use it in the course of the next number of hours that we have allocated. So Mr. Chair, what I'm going to do is initially provide on the record this list of specific data that I would ask be tabled with the committee so that, in turn, we could get some commitment from staff in terms of the time that it would take to get this back to us.

First, Minister, I'd like an accurate reporting of the number of children in the Ontario school system broken down by board and authority who are identified for special education. If you use the fiscal 2004-05 figures, then all further requests that I make would, of course, be fulfilled using the data from that year. I want to do comparisons with the estimates that are provided here today.

Second, I'd like that breakdown of identified children to include the total transfer payments, board by board and authority, and under which special education programs of the ministry those transfers were made.

Third, I'd like a breakdown, board by board and authority, of the number of students in Ontario and their parents who are currently, as of today's date, November 1, 2005, under exclusion orders, using the Safe Schools Act as the basis for that exclusion.

Fourth, I would request a further breakdown of all those students under exclusion orders to ascertain which of those students are identified as requiring special education and, more specifically, which of them would be considered high-needs students.

Fifth, I'd like to know the dollar amounts, board by board and authority, attributable to those students under those exclusion orders.

Sixth, I would like to receive the data outlining, board by board and authority, the special incidence portion, the SIP funding, for 2004-05.

Seven, I'd like the minister to table the list of board and authorities that received effectiveness and equity funding in the 2004-05 school year and in what amounts.

Eight, I would like the responses sent from the minister to the letters sent to him from the Ontario School Bus Association, which are dated October 27, 2003; December 19, 2003; May 7, 2004; October 1, 2004; October 25, 2004; January 14, 2005; February 22, 2005; July 26, 2005; September 1, 2005 and October 6, 2005. These are letters that were sent to your attention, to the minister's attention. I would like to have tabled with this committee your responses to those letters.

Nine, I would like the responses sent from the minister's office to my letters sent to the minister on December 11, 2004, January 11, 2005 and two separate letters dated January 26, 2005.

Ten, at the request of my colleague Mr. O'Toole, I would like the response tabled with the committee that was sent from the minister to him in response to his letter to the minister dated June 3, 2005.

Lastly, I'd like the minister to table the response he provided to Mr. John Tory, the leader of the official opposition—to Mr. Tory's letter to the minister dated June 1, 2005, regarding a special needs child from Mr. Tory's constituency.

Minister, I look forward to receiving that information as quickly as possible. I see no reason why it can't be made available by the time the committee meets again. I think we have another date scheduled, November 15, and one prior to that. The 15th, I think, should give you sufficient time. I look forward to receiving that information.

Minister, I assume that you've reviewed the estimates for your ministry personally.

**Hon. Mr. Kennedy:** Sorry, the question?

**Mr. Klees:** Have you personally reviewed the estimates for accuracy?

**Hon. Mr. Kennedy:** I have, to the best of my ability.

**Mr. Klees:** In your review, did you find any errors or omissions that haven't yet been corrected?



**Hon. Mr. Kennedy:** None that I'm aware of.

**Mr. Klees:** Let me draw your attention to page 16, the line item referencing your salary. Is that line item correct?

**Hon. Mr. Kennedy:** I believe it's correct in the sense that it was deducted from last year, so that money wasn't paid, but that was a central deduction so the ministry paid it, and then, as you may know, because of the deficit that we inherited, all of cabinet took a cut in their salary of 25% of the minister's allowance. But that was a central deduction and not one accruing to each ministry. Aside from that, that is the charge to the ministry for that, but then there was a deduction made, as you're aware, of some \$8,000 or \$9,000.

**Mr. Klees:** So you're confirming that that's not what you got paid. You got paid less than that, did you?

**Hon. Mr. Kennedy:** That's right.

**Mr. Klees:** Is that the case with all of your colleagues? Everyone took that salary cut?

**Hon. Mr. Kennedy:** That's correct.

**Mr. Klees:** Minister, when was the last time you were on your ministry Web site?

**Hon. Mr. Kennedy:** I can't say for sure yesterday, Mr. Klees, but usually daily.

**Mr. Klees:** The purpose of the school board profiles on that Web site is what?

**Hon. Mr. Kennedy:** The profiles that are available are meant to be useful information to complement what individual boards are making available, and something which we in fact intend to expand upon and bring up to date.

1640

**Mr. Klees:** So it's intended to be "useful" information, as you said; I think that was your word.

**Hon. Mr. Kennedy:** There's work underway right now with the school boards in trying to lessen the burden of reporting; in other words, just to use your words, "useful information," because we ask a lot in terms of the overall number of reports and so on, and some of that is reflected in that report. So we would like to ask boards to be more timely and be able to serve, first of all, their local publics, but ultimately the accountability they need to the provincial funder as well. We're in discussions right now with them on how to revise all of that, because they have, I think pretty successfully, said, "There's a lot of overlapping burden that we have in terms of things that are required from us." That's one of the real problems we have. For local parents, local anyone, to have access to the activity of their board, there should be an objective way of accessing information in a timely fashion. There is a gap, because boards say the burden is such that they cannot do that. We have a project, overall, a transparency project that a number of boards have volunteered to be first in line with and the products of which—I can't give you a date right now, but at the next sitting, which would be tomorrow, I'd be happy to give you some kind of estimate on when that will be available to the public.

**Mr. Klees:** Minister, I'm concerned when I see on the ministry Web site the financial information or school board profiles, including variance reports that haven't been updated for public viewing since this government took office. Are you aware of that?

**Hon. Mr. Kennedy:** I am aware that the detailed reports—there is board-specific funding information. You may recall—that wasn't your area of responsibility—that they were always two years out of date when I was the opposition critic, sometimes slightly more than that. There is a shift in terms of how the core of those reports is being provided. I would like to see a modified version of that report up to date, and that's the basis of our discussion with the boards. Frankly, there isn't any reason why we couldn't have at least the standard of the previous government achieved. Again, I would just say to you, and I think you could confirm this with the local board or any of the boards that you're in contact with as critic, that they have a lot of difficulty, and we have to put up, obviously, information that they have verified. This is what we go through with all information-gathering that we do. There have been a few glitches, and I would say generally it's a few boards, not all, that have made it harder for us to post up-to-date, accurate information. We should be able to post, at least, I believe—is the 2003-04 outstanding, or 2004-05?

*Interjection.*

**Hon. Mr. Kennedy:** The 2003-04 year. I would like to see a much more revealing 2004-05, if that's possible, and that's what we're in discussion with boards about right now.

**Mr. Klees:** Your Web site now shows 2001-02 numbers. You're admitting that that really is not very helpful information.

**Hon. Mr. Kennedy:** I agree. Again, it was a practice, and there is a delay that I appreciate is real, but that kind of delay is not. There is up-to-date information available elsewhere, but the board profiles—which, frankly, to give credit to the previous government, have a format that is helpful, because you can compare boards and so on, but the information itself, some of it, is not as helpful as it appears to be on the face. So that's also what we're going after. I would not claim that it leads to fundamental misunderstanding. I think we have focused more of our effort, rather than going to the old format, on getting more timely information up to date.

Again, when we come back tomorrow, I can give you some idea of when that will be, but I'll also give you an idea of whether or not it is really feasible for us to bring that information as up to date as possible and whether there's anything in the way of that. To me, there shouldn't be any reason why we can't, as an interim measure.

**Mr. Klees:** You have the current information; it's just that it hasn't been transferred to the Web site. Is that right?

**Hon. Mr. Kennedy:** I would say that we have the information in the sense that there are always lingering problems to be resolved and so on. I think you know that

the generating form for that is a very extensive set of data. There are a lot of reports and a lot of things that are collected. This is the particular end-of-year thing that happens. For example—if I can answer your question, and I don't want to take up too much time—the so-called October report will come in this year around December, but some of those boards will take the next six months, even after that, to verify, and maybe even longer. I know there were particular points that were problems for some of the boards, some of it related to the boards under supervision, some of it related just to a general issue that we ran into.

We have most of that information, so we could still post it. I will let you know tomorrow whether there's any intractable barrier, why we couldn't bring it more up to date. Our ambition is a little different, though. That format we'd like to better, in a way, by having more information available. I will say that other parts of the Web site do have more up-to-date information available.

**Mr. Klees:** You're undertaking, then, to report back as to how soon we could get this information updated.

**Hon. Mr. Kennedy:** Yes, I will, tomorrow.

**Mr. Klees:** Thank you.

Chair, I have a number of other questions. I'm going to defer to my colleague to ask some questions. I know that he has some pressing issues that he wants to raise with the minister, so I'll ask my colleague to take over.

**The Vice-Chair:** Go ahead, Mr. Barrett.

**Mr. Toby Barrett (Haldimand-Norfolk-Brant):** Thank you, Mr. Klees.

I appreciate the opportunity to get up to date. I've been receiving information from a number of local organizations and organizations under the Coalition for Small Schools. Of course, their concern is the continued threatened closure of small rural schools, and certainly in my area, the Grand Erie District School Board catchment area, the threatened closure of rural high schools. I would like to get up to date.

This letter was dated September 6, for example, and they state in the letter that on May 9, 2005, you addressed hundreds of citizens indicating that funding for small schools was in the works. On May 12, as we know in this committee, you spoke in the Ontario Legislature: "We have an obligation to ensure that all Ontario students, particularly those in small rural communities, have an equal opportunity for a quality education. We have set aside money in this year's budget to help keep small schools open and more to help them to flourish." That was last May.

I'll continue further just to give you an opportunity to pull some of these figures together.

On Wednesday, June 1, you wrote a letter to the Greater Essex County District School Board's education committee. In that letter you stated, "We will also be making further announcements within the next two weeks on support for rural schools and, in particular, rural high schools."

So these statements have been quite heartening throughout rural Ontario. As I've indicated, my infor-

mation is as of September 6 of this year; I'm a little bit out of the loop. Was the funding announced last June?

**Hon. Mr. Kennedy:** Yes, it was. Let me distinguish for you, Mr. Barrett. We had Good Schools Open funds at \$20 million, building on an original \$31-million investment. We did that despite the fact that Dr. Rozanski said \$50 million was the amount that should be put toward rural schools. The previous government, as I think you're aware, did that just before the election. We left that funding intact. We tried to make sure—it was a bit rushed in terms of how it was put together—that it could be improved on, but also it, by now, added another \$50 million. So the other \$20 million is out there, providing, we believe—and if you look at the intentions of schools and the outlook of most boards—a more reasoned approach. There was really almost a target put on the tops of rural schools in the past by a variety of things.

A number of things are also worth noting. There was, as well, an announcement that took place around a change in policy. The policy has been given effect so that there is no more reward for closing small rural schools, an inordinate number of which did close under the previous administration. So we have put both a financial protection and now a policy protection, not for rural schools at any sort of cost or in any kind of "no matter what school boards think," but rather, fairly. We think there should be a fair funding platform for rural schools. So we have advanced on that and we have put that funding forward.

We will have additional funding, even this year. We have been in discussion with boards, including Grand Erie and Windsor-Essex, about high schools in the rural context, and that will be forthcoming shortly. But I think you'll find that the small schools coalition and other groups are really quite excited that finally there is a response that recognizes what I think—I'm sure there were many voices in the last government, and in all parties, that agreed that we should not be funding schools in the same way; they don't have the same possibilities for economies of scale.

**1650**

The other part that I want you to be aware of: We've changed the facilities policy to make it more advantageous, and another part that will be coming forward will be how we restructure grants. There are some grants from the previous funding formula that are intended to help rural schools but miss. There is some of that on our agenda.

There will be an ability for high schools this year to work in our student success area in a number of ways to be more viable into the future. It will be a large number of schools. There are boards that are very excited in terms of what they can show us can be done.

You're aware, I'm sure, of the small schools summit that was held, hosted by the Upper Canada board, that we had people attend. Again, this is another example where we're working in partnership. Where boards and parent groups were almost always fighting, there seems to be coming together in most boards.



I also note with interest, Mr. Barrett, that in your board they once were projecting—I was there many times as opposition critic—that numbers would only come down in the rural area. I think you're aware of that. Now, instead, they're seeing increases where they thought there weren't. I think that shows some of the probity we're trying to make sure happens when it comes to school boards, that they don't just look at the short term; that they look at—and this is what our policy asked them to do—are these rural schools, first of all, good for education? If they are, make that part of your capital planning and part of the way that the province will respond to you.

Grand Erie is a good case, because I'm not saying that the board doesn't have an ongoing concern, I know that they do, but in some parts of the counties of Norfolk and Brant they have actually found increases in population, where their own projections a few years before said not. This is the reason we're trying to get people to spread out how they make these considerations.

I think all of those things are important. There will be further steps that we'll take, but effectively what we've now started to have is a rural funding formula that allows rural schools to get a fair chance of showing that they can succeed and has taken away any artificial reward for boards to close them. There is more to be done, and the steps I've described will be coming shortly.

**Mr. Barrett:** You made mention of schools closing before the election. I lost one high school in Burford. Oftentimes communities do see the writing on the wall for students. By extension, their parents vote with their feet when they see, for example, something as distinct as a lack of course offerings.

Again, before the election in December 2003, you indicated a moratorium on school closure. A number of schools in my area and the Grand Erie area waited on that. I think of Caledonia's Seneca Unity and Brant's F.C. Bodley school. That moratorium was not mandatory. That moratorium was not backed by legislation. I don't know whether everybody understood that during the election. The moratorium was essentially a request to the school boards. We do have a situation where for both Caledonia's Seneca Unity and F.C. Bodley the decision was made by the board to close those schools in spite of the moratorium.

Again, referring to the Grand Erie board, last November there was a board report indicating that 12 elementary schools and three secondary schools are slated for closure. This is of concern. I'm assuming, unless there's new information, that this decision to close three high schools and 12 elementary schools is a decision made by the board, in spite of the additional money made available to rural schools, certainly in spite of the moratorium. Is that correct?

**Hon. Mr. Kennedy:** The school boards have a legislative authority to close schools that we've respected. But we've certainly been trying to turn around an attitude that got instilled under the previous government.

I met with the kids in Burford, and they were rural kids who felt very hard done by. They had an environ-

ment that was supportive of them, where they could take courses that were conducive to their future careers, and they had that ripped away from them. That's how they felt. It was a very unfortunate struggle that they went through. In only about six or seven schools were decisions made by boards in contradiction to that moratorium. We have tried to form a partnership with our boards, not tried to use a hammer in terms of getting co-operation, and tried to be respectful, as I'm sure you are with your local trustees around them being a form of trusteeship that we need to have operate at that level.

However, I would like to believe that Grand Erie—I cited the instance of a population surge in one area, but I'll say this about the funding we've provided and the overall outlook that we have: If they're going to bring forward 12 elementary schools, they're going to have to do it in a completely different way than they've done it in the past. The requirement there is that for the first time, they have to take into account what the value is to the community, what the value is to the local economy, what the value is to the student in their overall educational attainment and what the value is to the system. Those are things that were not required before in any significant way, and that's the protection, if you like, that rural communities have for the first time, because the viability of having specific funding for rural schools is part of an overall rural strategy that we believe is very important.

I regret any boards that went forward on their own in terms of this. We reviewed all of the circumstances that were done in the moratorium where the schools had not already been closed, and in fact in all cases there was some variance. By and large, boards have abided by that; they have changed their plans because we gave them a second look to take into account the funding, more so.

In terms of the future for the people in Grand Erie, I would like to believe that with the significant funding choices that they have and with the structural policy changes we've made, every viable, good school will stay open. That's my recommendation to every board: Keep the good schools open. Boards will be in a position to present their cases to us, because the school evaluation allows for that. They can show that a school really needs to be open because there aren't choices for it, and the evaluation is there. They can argue with us for the first time around funding, for example, which was never available before. That's something that we're setting up for a number of those circumstances—

**Mr. Barrett:** You're suggesting, then, and I think I'm aware of some of this, that boards certainly have the leeway from the Ontario government, or from the Ministry of Education, to make accommodation decisions beyond just funding or beyond just the number of students in the school. You used the phrase, "Keep the best school open."

**Hon. Mr. Kennedy:** Just to be clear, there is a new policy that they have to follow. The way the act reads is that the power, as I mentioned before, is the board's, but the guidelines are set by the province. Those guidelines have to be followed, or the actual decision isn't valid.



That's where we're providing a new approach that every board will go through, should they seek to close schools in the future.

**Mr. Barrett:** OK. Then you talk about keeping the best schools open, and as I recall, you also visited Delhi high school just before the election, at a time when it was threatened with closure. Delhi high school, in my opinion, is an excellent school, certainly with respect to my staff at Queen's Park and in my constituency office. I hire Delhi high school students over and over again. They know politics: They grow up on tobacco farms; they know how the world works and they know how government works as a result of the economic turmoil in that part of the country.

We've had an excellent community group working to keep that high school open, the CAUSE group, Citizens Against Unnecessary School Eradication, and this group has morphed into a new committee entitled CARE, Citizens Advocating for Rural Education. I've attended a number of their meetings. They have put forward a number of options to the school board beyond just numbers; they've put forward recommendations for the ability to offer community-based programs, even community college programs. Certainly, ideas have been discussed: shared staffing, for example, distance education, even the concept of cutting the building in half and using part of that infrastructure for other usages. Under the new and present approach of the Ministry of Education, would these kinds of ideas fall on fertile ground?

1700

**Hon. Mr. Kennedy:** Yes, they would. The policy we've already passed indicates—for example, we currently pay for about 100,000 spaces that boards aren't using. I know some of those are in Grand Erie. We pay to have them cleaned. We say that those spaces need to be eligible for some of these joint uses. We think that there are a lot of ways that this should take place.

There is also a student success component to how we look at the facilities, and we'll have more to say about that. Whether it's community colleges or whether it's community groups, one of the big ways that schools are going to be more successful with the kids who are dropping out is making sure that they find ways to be interesting. That's true for rural areas and it's true for urban areas. We provide some existing funding and we'll provide permission and further incentives to make that happen.

That's the kind of thing we're expecting to come back as boards file their capital plans with us to say, "Here's how we look at it." The first thing they're asked to do in that capital plan: "What educational program do you need?" because previously, capital plans were completely in isolation. So they'll be able to say, "Here in Burford"—or in any of the communities there—"Here's what will work educationally, and here's the kind of considerations that we need," on the capital side for example, and even ultimately, as we refine our rural overall formula, on the operating side as well. That is absolutely fertile ground and something that I think boards, which

have been used to doing it a certain other way for a number of years, are now starting to really get enthusiastic about. That's the most hopeful thing I can see.

I haven't sat down with Grand Erie of late, but I know that they're alert to this, because when we have, I have talked about that. There's a lot of difference of opinions on the board. Some say about rural areas: "They're going to get smaller; we've got to rationalize and do all of that." There are champions, as you know, on that board for rural schools, and I do see a good prospect there and in other places of concentration.

Part of that issue has been those joint urban-rural boards: How do we get them to find a consensus about how this should go? I think we've made that more possible. I won't get into any details, but the funding makes it possible and now the policy will as well.

**The Chair:** Thank you very much, Minister. I'd like to now recognize Mr. Marchese.

**Mr. Rosario Marchese (Trinity-Spadina):** Welcome, Minister. Thank you for coming here to this committee with the ministry staff. I'm going to get to the questions right away, and I would ask you, where possible, to keep your answers as brief as you can.

You spoke about physical education and its importance. Can you confirm or deny that 70% of our schools in Ontario do not have a physical education teacher?

**Hon. Mr. Kennedy:** Unfortunately, I don't think we actually know for certain. The count that is there is only of physical education teachers that take the place of another teacher, and that is not a complete count. The ministry, as we went to do our planning for increasing phys. ed. teachers, doesn't have a complete count for that. I'm not in a position to confirm—I think you're referring to some of the estimates that some other groups have made—but we hope to be in that position shortly, because part of how we'll be working with boards on a strategy to expand phys. ed. is knowing more precisely what we've got.

**Mr. Marchese:** You did say at a press conference that you thought it was a bit higher than 70%.

**Hon. Mr. Kennedy:** Yes, I did, basically because when we look at some systems, it is higher. Some boards have done a terrific job training—just to tell you, though, because it's an important part of your answer—teachers to be accredited but not full phys. ed. teachers. They believe in that and they promote that. I'm not prejudging them until we finish our healthy schools initiative and making this happen. That's the only caveat I would put on that as well.

**Mr. Marchese:** You mentioned that there are 1,300 new teachers. Can you tell me what these 1,300 new teachers are doing?

**Hon. Mr. Kennedy:** We will when we get our October reports. They'll be doing a variety of things. Sixty-five per cent of them are deployed to help students in need; what that means is students at risk and students who need an extra boost to be successful students. They are teachers who are teaching extra sections to bring down class sizes. They are teachers who have taken

assignments as student success teachers. They are teachers who are also working in some of the non-targeted areas to reduce class sizes. And some—

**Mr. Marchese:** And these are—

**Hon. Mr. Kennedy:** Sorry, just to complete the answer—some are restoring guidance and some are restoring librarians, because, as you may be aware, there's a kind of work load arrangement that was prejudicial against librarians and guidance counsellors. So those are the deployments that we expect to see.

**Mr. Marchese:** These are 1,300 additional teachers over and above those who would normally be replacing teachers who are retiring etc., correct?

**Hon. Mr. Kennedy:** Absolutely.

**Mr. Marchese:** If you wanted to show me, for example—because you want to show me, I presume—that we actually have hired 1,300 new teachers, how would I find that? Where would I find it? Could you help me with that?

**Hon. Mr. Kennedy:** Well, we always like to be helpful. There's no shortage of willingness to do that. Basically, the board reports will show us the number of teachers that are there, and the way to look at whether they're actually net new is how they relate to the number of students. For example, if a board lost net students in high school and lost two teachers because of that—they would not have got them, because, as you know, the funding formula is driven by that—there could be two teachers made up that way. Each board will report the number, in this case, of high school teachers, and we can make that report available when it's presented.

**Mr. Marchese:** But you understand my difficulty, right? You say that 1,300 new teachers have been hired.

**Hon. Mr. Kennedy:** That's just this fall. There will be 2,000 eventually.

**Mr. Marchese:** But all I have is your word that says that 1,300 new teachers have been hired. I can't challenge it one way or the other because I have no way of knowing.

**Hon. Mr. Kennedy:** When the October reports are starting to come in—they'll be verified by December—hopefully for the vast majority they'll be in a shape that we can put out as public information. We are tracking very directly. In fact, there are staffing reports already in right now from boards that we're trying to sort through. It was an extra report we asked for, because we like to be helpful. We'd like to help you with the answer to this question.

**Mr. Marchese:** Good. So soon we'll know.

**Hon. Mr. Kennedy:** The staffing reports are a little more problematic than we had wished for, in the sense that they were an extra report we asked for, even though, as I said to Mr. Klees, we did it reluctantly. But there will be an ability to say—if this is what you're asking, and I think this is what you're asking—that Toronto or Grand Erie or any board had so many teachers allocated last year and has so many more this year.

**Mr. Marchese:** And we'll be able to see that?

**Hon. Mr. Kennedy:** You'll be able to see that.

**Mr. Marchese:** Wonderful. That's soon, in a couple of months?

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** All right. I want to talk, as quickly as I can, about the Safe Schools Act—you mentioned that; I'm interested in that, and so are you, I'm assuming—otherwise known as zero tolerance. Again, Minister, briefly, what are your views on zero tolerance?

**Hon. Mr. Kennedy:** I don't think zero tolerance exists in Ontario schools, and I'm glad it doesn't. I don't think that it's a policy so much as a slogan. I think what we have instead is a policy that is limited. I do not think of it as a complete policy. I don't think it assures safety in and of itself, because it doesn't have a preventive component.

**Mr. Marchese:** So it doesn't exist; it's just a slogan?

**Hon. Mr. Kennedy:** Yes, on zero tolerance. Well, it's been ascribed to this. Because there's discretion applied by the principal, just to be precise, it isn't meant to be and should not be in practice a zero tolerance set of rules.

**Mr. Marchese:** That's fine. The Human Rights Commissioner, in his report School Discipline and Discrimination, stated that there is a "disproportionate impact on racial minority students." He included in that report the fact that a number of students with disabilities are also disproportionately suspended from school. Do you have any views on that?

**Hon. Mr. Kennedy:** As you know, there's no data collected on racial origin or ethnic identity of students. There is, though, data collected—and we'll be making it public very shortly—around students who are identified as receiving special-needs services. When we put forward, as we are very shortly, a public review, we intend to make all the data available, because things are being said that aren't necessarily supported by data. But there is also the reason for a review, which is a need to find out.

What I would say about this is that I accept that there is a disproportionate impact on certain minorities. What I will not, though, take as a premise is that that tells us why or what we can do about it; hence the need for a review. I do believe our data will show also a disproportionate impact in terms of students with disabilities. We will have a little bit more hard information to share there. The explicit goal of this government is to get into the dynamics of education, in terms of why that should be the case and, again, what we will do about it.

**Mr. Marchese:** Last year, you promised a review of the so-called Safe Schools Act to begin in the spring of 2005. What happened to that review?

**Hon. Mr. Kennedy:** The safe schools action team, which is the group we've charged with a variety of aspects of school safety—outside of the people not involved in the school system to review—had reference group meetings in the spring and felt that they could not yet bring that review public. They encountered a lot of interest. There is a negotiation ongoing with the Human Rights Commissioner, for example, that we thought was successful in the spring and, unfortunately, still continues.



The preparations have taken place the way we said they would, but the public component will now take place this fall. We believe that it will be a better inquiry for the kind of information we've been able to gather and the kinds of preparation we've been able to do.

1710

**Mr. Marchese:** The public consultations are going to start when again, sorry?

**Hon. Mr. Kennedy:** We're going to announce the date very shortly, but it will be within a matter of weeks.

**Mr. Marchese:** What kinds of consultations are you having? What kinds of questions would you be asking people you're consulting? Do you have a sense of that?

**Hon. Mr. Kennedy:** We will be putting forward a consultation guide so that we can give people what the system knows in terms of the information it collects, and then basic questions around what I've already said as a summary, which are: Is this act doing everything that it can and are any of the responsibilities of the provincial government doing what it can for student safety? Is it fair? And a variety of related questions. It will be fairly simple. We're not trying to restrict this in any particular way, so we're going to give the possibility for all interested members of the public to participate in contributing their views on this. There is a part of this that I think comes from that qualitative aspect. It would be designed through a variety of ways, public hearings being one, to collect that.

**Mr. Marchese:** Do you think that the hearings you're going to have are going to give you a different result than what has been studied by the Human Rights Commissioner? What are you expecting?

**Hon. Mr. Kennedy:** The human rights commission cites studies in the United States. They have no data. They've only looked at some of the unfortunately not data-driven results of hearings that were held in Toronto. We respect that that effort has taken place, but there was no data collected by the human rights commission. They didn't make a finding so much as to say that they had a concern, and they have addressed that concern most recently to both the Toronto District School Board and our ministry. But it isn't a study in that sense; it isn't based on an examination of the facts.

**Mr. Marchese:** So what are you expecting from this study? What do you think will come out of it? You must have some feelings around it.

**Hon. Mr. Kennedy:** My feeling is that we need to be able to deal with, in detail, the experience that the set of rules that come under the Safe Schools Act have exacted. We also need to get from the public their sense of how they want our schools to be conducted. My own view is that we need to make sure that we are being fair, because that's the only way to make sure you have safety, but I'm going to wait to hear from the public around the balance of views that come forward.

We're also going to hear from people in the education system. There have been things thrown around about the Safe Schools Act that don't fully reflect the kind of effort that principals and teachers are making to be fair, nor

does it reflect the kind of changes that have taken place in the last couple of years. But I think it's important that the public hear that for themselves. I'm not in a position to say—

**Mr. Marchese:** OK. I want to ask you a question, such as whether you're willing to rule out anything in and of these discussions. Taking away the right of teachers to suspend: Is that on the table or not? Is that the question you will be asking?

**Hon. Mr. Kennedy:** I think you know it's not in use at all. It's a token kind of thing if it was to be in action. We want to take substantive action. We're not interested in taking—

**Mr. Marchese:** Sorry, not in use at all? Teachers don't—

**Hon. Mr. Kennedy:** There are no teachers suspending students, by and large. It was a decision that teachers made as a group. It's not really in practice.

**Mr. Marchese:** Taking away the right of principals to suspend: Is that on the table or not? Are these the kinds of questions you might be asking?

**Hon. Mr. Kennedy:** As you may know, and if I may refer back to Mr. Kleess' question, principals have always had a right to suspend under exclusion, and exclusion is not part of the Safe Schools Act. I'm sure it was just a word difference that was there. But they've always done exclusions, and those are not recorded. So the ability under the trespass act and under a variety of statutes has been there.

I would say that we've made no advance determinations about the outcomes, and the evidence I'll offer you is that when the safe schools action team reports on bullying, you'll see an immediate response from the government and you'll see something similar in terms of this, but I don't know yet what they're finding in terms of the hearings. These are serious inquiries and reviews that they're doing.

**Mr. Marchese:** Will restoring funding to youth counsellors, community outreach officers or social workers be part of those discussions as it relates to the Safe Schools Act or not?

**Hon. Mr. Kennedy:** We have already done some of that, so we will certainly be looking to see what can be done for a rigorous program of prevention.

**Mr. Marchese:** Will that be part of the discussion or part of the consultations?

**Hon. Mr. Kennedy:** I can't see how it can't be. I believe it will be. But I don't accept your premise. The idea that we haven't already restored isn't accurate.

**Mr. Marchese:** There's no premise; I'm asking you whether or not that's part of the discussion. There's no premise.

**Hon. Mr. Kennedy:** OK. I'm just correcting it to the extent that more is required than we've already done. That is possible.

**Mr. Marchese:** I didn't ask that question.

**Hon. Mr. Kennedy:** But you said "restore," and we've already done a lot of that.



**Mr. Marchese:** Do you know the facts around restoring around the province in terms of who had them and what you've actually done by way of direct funding for that?

**Hon. Mr. Kennedy:** What we've done—and I think you're aware of this—is put in \$165 million to learning opportunity grants, simply because it wasn't collected as information. We've also targeted a few places, like Toronto, because they struggle with an overall fiscal situation.

**Mr. Marchese:** Is that part of the \$165 million?

**Hon. Mr. Kennedy:** Sorry, there was a \$180-million increase in the learning opportunity grants that are targeted to demographics. That's what we've done since we've come into office.

**Mr. Marchese:** And that prescribed that they should be hiring these people, or that was just at their discretion?

**Hon. Mr. Kennedy:** No. As a former trustee, Mr. Marchese, I think you would agree that we believe that local trustees, particularly those who deal with urban environments, need to have choice. It's a big question, and one we're also dealing with with the boards right now: How much should we control the LOG grant and how much should we let them respond to that? But I think what you should want to know is, how much real capacity did each board have with it and then what did they do with it?

**Mr. Marchese:** OK. That's fine.

Mandatory alternative programs for all suspended students: Is that on the table as part of the discussion? Yes or no?

**Hon. Mr. Kennedy:** Again, because I've given a previous answer and I can save you some time, nothing is off the table in terms of that. If you want, I can give you a commentary, but I don't want to use up your time, unless you'd like me to.

**Mr. Marchese:** No problemo.

I want to get to special education. You did not provide any new funds for the high-needs students in 2004-05.

**Hon. Mr. Kennedy:** Yes, we did.

**Mr. Marchese:** Sorry?

**Hon. Mr. Kennedy:** We did.

**Mr. Marchese:** You did?

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** You're sure of that?

**Hon. Mr. Kennedy:** Yes. We provided \$45 million in additional funding and we paid every bill. In other words, what we said to school boards was—

**Mr. Marchese:** OK. I understand. Let me quote something.

**Hon. Mr. Kennedy:** Well—

**Mr. Marchese:** No, no, I hear you. I want to quote something to see whether or not it jibes with what you're saying. This is a memorandum to directors of education from the deputy minister, Ben Levin. On the first page, he says, "First, no new funds were provided initially for high-needs students in 2004-05."

**Hon. Mr. Kennedy:** If you'd like to share the memo, I'm happy to have a look at it. In essence, what we did

was create a fund based on the previous government expensing dollars late in the school year. School boards had \$100 million that they were not spending and they indicated they didn't have plans to spend. They already filed their preliminary estimates and said, "We're not spending that." So what we did—

**Mr. Marchese:** Minister—

**Hon. Mr. Kennedy:** No, I want to make this clear: The \$46 million came from that fund, and it's new funding.

**The Chair:** Minister, you will have up to 30 minutes in a few short minutes to expand at length. That's the purpose of you having your half hour. With Mr. Marchese's questions, if he's satisfied, and if he indicates to the Chair, then we'll ask you to move on. That's why you have that half hour. I'm sure you will take note, and you'll be able to give a more fulsome answer at that time.

**Hon. Mr. Kennedy:** Sure.

**Mr. Marchese:** I'm assuming you would be familiar with the document. It's a memorandum sent to the directors by—I'm quoting from this page: "First, no new funds were provided initially for high-needs students in 2004-05." You're saying \$45 million was provided.

**Hon. Mr. Kennedy:** An additional \$46 million went to boards.

**Mr. Marchese:** Obviously they're two different thoughts.

**Hon. Mr. Kennedy:** It's just the answer to Mr. Klee's question, the efficiency and the effectiveness fund.

**Mr. Marchese:** Perhaps, the deputy might—he's writing a note, or he can speak for himself.

**Hon. Mr. Kennedy:** What are you asking? I don't understand the question. I'm happy to answer it—

**The Chair:** Cut off the mikes.

Mr. Marchese, the minister asked you for a copy of the memo. He said he'd be pleased to respond to it. It would be extremely helpful if you could at least tell the deputy what the date of the memo is, the nature of the memo, and then he may have a reference for it, and that may be helpful. Please proceed.

**Mr. Marchese:** I would have thought that the deputy would know of the memo.

**The Chair:** Thank you, Mr. Marchese. Please proceed.

**Mr. Marchese:** A memorandum to the directors of education from Ben Levin, deputy minister, dated March 31, 2005. Subject: special education funding.

**Hon. Mr. Kennedy:** We'll look at the memo, but I would say right now that it's out of context. We'll make sure that the memo's here. If you'd share it, we would get it quicker and we would answer quicker. Whatever you like.

**Mr. Marchese:** I will do my best to give it to you for tomorrow, if that would be fine.

**Hon. Mr. Kennedy:** I'll answer it in my own time if you give it to me now.

**Mr. Marchese:** I need it. I might refer to it, sorry.

**Hon. Mr. Kennedy:** OK.

**Mr. Marchese:** But I'm sure he can give you a copy.

On June 5, 2002, you asked the then Minister of Education Elizabeth Witmer why none of the extra \$100 she allocated per student for flexible funding was spent on special ed. You asked her how she dared not to allocate any funds. I want to read that you:

*"Hon. Mrs. Witmer:* In fact, there is an extra \$100 per student for flexible funding that could be used by boards as they saw fit to respond to the needs of students in this province. That was a very significant announcement. We are committed and that's why we're going to be reviewing the funding formula.

*Mr. Kennedy:* None of it was for special education, not one time. How dare you?

*Hon. Mrs. Witmer:* Again I would say to the member opposite, we have been increasing special education funding on a regular and significant basis. I would suggest to you that you take a look at the facts and stop with the fiction."

I ask you the same question: How do you dare do this? But what you're saying is that you provided the money, and what I read is that you didn't. We'll have to deal with it somehow, I suppose.

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**Hon. Mr. Kennedy:** What we can do is provide you with what's on our Web site, which is the grant line that shows special education and, more importantly, it would show the spending and that spending has gone up, because there were two sources of funding this year: one from our regular grant line and the other from the education fund.

**Mr. Marchese:** We'll get to those. I have questions.

**Hon. Mr. Kennedy:** Since the time I asked that question, funding has gone up 65%, \$365 million.

**Mr. Marchese:** That's fine. I haven't asked that. Let me ask you some questions—

**Hon. Mr. Kennedy:** But you don't want to ask out of context, I'm sure.

**Mr. Marchese:** You'll be able to answer some of these other questions.

**Hon. Mr. Kennedy:** I'm not sure, are you asking a question or not?

**Mr. Marchese:** No.

**Hon. Mr. Kennedy:** Just to clarify, Mr. Chair; I thought it was a question.

**Mr. Marchese:** How many special education full-time equivalent teacher positions do we have this year, last year and the year before? Can you provide those numbers, by any chance?

**Hon. Mr. Kennedy:** We can give you resource teachers. I can tell you, off the top of my head, that we've hired 4,000 new education assistants, and those will show up in the staffing numbers.

**Mr. Marchese:** I didn't ask about ed assistants, but full-time equivalent teacher positions.

**Hon. Mr. Kennedy:** I'm going to consult with my officials to see if we collect that degree of speciality around a certain teacher, because each board uses a different definition and we permit that.

**Mr. Marchese:** Perhaps tomorrow?

**Hon. Mr. Kennedy:** Which year are you interested in?

**Mr. Marchese:** All I know is that if you have full-time special ed teachers—if you're telling me that they all use different names for special ed teachers, that puzzles me. As far as I know, they're all special ed teachers if they're teaching full-time special ed.

**Hon. Mr. Kennedy:** No, there are differences. You know this; I know you know this. There are resource teachers and there are classroom teachers. But I will say this: Our basic report will show—

**Mr. Marchese:** I'm talking about classroom teachers here.

**Hon. Mr. Kennedy:** All the money for special ed has to be separately accounted for, so we will have that to show, but in our October report, essentially. But we will be able to show that. There are integrated classrooms, as you know, there are self-contained classrooms and there is one-on-one attention. If it's the body count—if you're looking for further evidence of the additional funding, if that's the root of your question, then I'm sure we'll be able to provide that. But it won't be until what they call the October reports are done in December that we can give you this year's numbers. We would be happy to share with you last year's and you will see that there has been a significant increase because, as I mentioned, there's a significant increase in funding.

**Mr. Marchese:** OK. That's great. So we'll be able to see this year's in November-December, and last year and the year before, you have.

**Hon. Mr. Kennedy:** We can get you staffing numbers—

**Mr. Marchese:** With the breakdown, as you indicated, in terms of self-contained, withdrawal and all that; right?

**Hon. Mr. Kennedy:** Again, ours might aggregate. As long as you understand that they will include all of those. You asked for full-time positions. The answer is yes. I'll have to find out and report back to you, perhaps tomorrow, in terms of what degree of detail we know at the ministry.

**Mr. Marchese:** OK.

In August 2004 you announced that you planned to make changes in the way in which Ontario education funded and supported special ed students. You said you would replace the old model with a new one. Can you tell me what those changes are?

**Hon. Mr. Kennedy:** What we've done so far is put an interim model in place. What it does is put the responsibility, but also the trust, on to the board. So every board is able—and, we believe, capable—to identify new high-need students at the same time they're absorbing the 65% increase in funding, so that net new students—those who leave and those who come in new—if they have services they're providing, then we're giving them those dollars. We're asking for assurance directly from the director that these services were provided in that amount incrementally and then we're paying the bills. So what we have in the interim is a very simplified system that tells you a little bit about where we're headed.



We're headed for a system that will rely more on boards being able to get outcomes and boards being able to describe educational needs as opposed to medical needs, which a lot of the last system had in place. We have asked boards to use streamlined versions to identify within, because we don't want the kind of paperwork that happened, that was inflicted, really, on students and families. They are doing that, in varying degrees, in their boards right now.

The new system is intended for the next fiscal year, and a special education working committee, which involves boards, teachers, principals and so on, is currently working on that and will report on that over the course of this year.

**Mr. Marchese:** OK. In terms of the changes you will implement, will you be specifically asking school boards to reduce their special education incidence rates to a number lower than they currently have?

**Hon. Mr. Kennedy:** The idea of those incidence rates being up or down would not be part of our outlook. Our outlook will simply be on whether or not students are getting educational advancements from the extra funds we're providing and whether the best techniques are being used to help those children learn, which has not been a question posed previously by the provincial government.

**Mr. Marchese:** Thank you. As a result of the changes you're planning to implement, is the number of students who are formally identified as needing special-ed help going to decrease?

**Hon. Mr. Kennedy:** That's too early to tell. I think there is a real aversion to the kinds of processes that went on before. I have to say, and I hope you don't mind this, that Mr. Klees asked some questions about attributable funds, but he may be aware that the previous arrangement that existed before is that the money isn't attributable to students; it's just a proxy.

I would say that we would try to lessen the burden of identifying students; we would not try in any way to lessen the services they need to learn. There are a number of very interesting ideas being discussed at the committee right now, but because they haven't been resolved yet, I can't report to you, only to say that we're not reducing services, which I think is what really matters.

**Mr. Marchese:** OK. During the Mike Harris government, we were all appalled at the rumours that the special education incidence rate was to be lowered by decree. The percentage they talked about was 12%. Is it true that in the month of September, members of the special education secretariat told special education superintendents that your ministry is asking boards to lower their incidence rate to 8%?

**Hon. Mr. Kennedy:** No. That's impossible. Let me just say why: The part that funds boards has nothing to do with 12%; 12% is the application of the SEPPA funds. Those are not students who are necessarily identified.

Another point to Mr. Klees's question is that we serve kids even if they're not yet identified because we don't want them to wait if they need an assessment. But 2.8% is the part that previously used to bring dollars to the

system. I'm just trying to help here in terms of—no one authorized, to the best of my knowledge—

**Mr. Marchese:** That was my next question.

**Hon. Mr. Kennedy:** —or unauthorized has done anything of that nature.

**Mr. Marchese:** That was my next question: Has anyone in your government, be it officials, deputies or political operatives, informed boards of education that they must lower their incidence rates to 8%?

**Hon. Mr. Kennedy:** I'd have to ask you, Mr. Marchese, if you've got specific information, because it's unfathomable to me, given the wide and intensive nature of this discussion within our ministry, that anyone could so misconstrue anything for that. If there's a specific incident that happened, a conversation, a report, anything, I'd be very happy to know about it, because it doesn't, on the face, sound possible.

**Mr. Marchese:** So you're basically assuring us that you will not be asking boards of education to lower their incidence rates to any number other than the special education students they have identified.

**Hon. Mr. Kennedy:** What we'll be asking boards to do is adopt the best techniques, justify only that they are using those best techniques for students—and we have 12 different exceptionalities within those allotted individual needs—and that the education plans really get fulfilled. There isn't anything around that that has to do with incidence rates coming down. I really have to say, I don't know what your source of information is; it doesn't sound like anything I would see as part of our future.

**Mr. Marchese:** That's good to know.

**Hon. Mr. Kennedy:** I don't even understand the question, in the sense of, why would we? Why would we do that?

**Mr. Marchese:** Let me just read from the same memo of March 31 from the deputy minister to the directors. On page 2 it says:

"Meanwhile, for 2005-06, we must continue to make efforts to change special education practices in ways that make the system more sustainable, while also protecting the interests of children. Many boards are already taking steps to change modes of identification and services delivery in accordance with the best emerging thinking and research."

What do you think the deputy means by "sustainable"? 1730

**Hon. Mr. Kennedy:** I'll ask the deputy, because he's here. He's welcome to address that. My opinion is simply that we have increased system funding by an historic amount relative to any other education system. "Sustainability" means that we have to make sure that subsequent increases are tied to educational outcomes, because when we look anywhere else, there is no parameter of the kind of funding that we've got. That, we think, is a fair corollary to have in the system. If you'd like the deputy—

**Mr. Marchese:** If the deputy has a different answer, that would be fine; I would like to hear it.

**Mr. Ben Levin:** It would be surprising. I would agree with the minister entirely that the challenge in special



education is to shift our focus from the feeling that finding more problems brings more money to a situation in which we can serve children effectively using the best evidence we have about what will bring good outcomes.

**Mr. Marchese:** I understand the idea. Implicitly, or explicitly, what you're saying is that teachers were simply finding problems that may not have existed.

**Hon. Mr. Kennedy:** But teachers were only a small part of that: There were whole systems set up to magnify issues in terms of saying that their medical needs or assessments drove their eligibility for funding, and unfortunately, coming back to Mr. Klees's distinction, it didn't mean that those students, those selfsame students who got poked and prodded, got the services. It wasn't attached.

**Mr. Marchese:** So you're now going to—

**Hon. Mr. Kennedy:** I'd answer it this way: There were absolutely flaws with the previous system, which is why we've suspended it. There was a tremendous misuse of time—

**Mr. Marchese:** So, your point is that you want to tie money to educational outcomes. Is that correct, Minister: yes or no?

**Hon. Mr. Kennedy:** Mr. Marchese, 1.3% of the students got ISA funding in 1998-99, and that is now 2.8% in 2004-05. It's an enormous change.

**Mr. Marchese:** I was just asking a different question: You want to tie money in special education to educational outcomes. Is that correct?

**Hon. Mr. Kennedy:** We want to tie school boards, in all of the funding they get from the province, to educational outcomes, and we're not granting an exception for special needs.

**Mr. Marchese:** What does it mean, "tying money" to educational outcomes? What are you saying, actually?

**Hon. Mr. Kennedy:** What it means is that boards will need to justify funding on helping students to learn, and that the kinds of plans they put forward and the kind of techniques they adopt will have that resulting outcome.

**Mr. Marchese:** So, if students are not learning on the basis of the tests that they have to write, or what? How do you do—

**Hon. Mr. Kennedy:** There is a group of pretty able people working on what these are, but clearly it needs to be said that none of this will penalize students. It's the systems that have to become more focused on those outcomes. What we're saying to boards is that if you propose, for example, as you may be aware in the previous system, \$27,000 more, you need to show us that that money actually went to getting more outcomes for students, and specific outcomes.

**Mr. Marchese:** We assume that once students are identified and money flows, those teachers are actually doing the job. What I hear you saying is that if the outcome is not what you want, then they don't get the money. Is that what I'm understanding?

**Hon. Mr. Kennedy:** No. What you're talking about—the teachers are doing the job. There are many situations where there aren't the right teachers matched up with the

right students, where the teacher training hasn't been there. There's been a big turnover in special-needs staffing. Those are the kinds of issues that need to be dealt with. The dollar has had to be reckoned with; I spent a lot of time with the House critic on that, but now double the number of kids are identified, from 1.3% to 2.8%, the funding is up 65%, and the difference in that is that the severity of which—

**Mr. Marchese:** I will get to the funding increase.

**Hon. Mr. Kennedy:** My point to you is that it's different. Therefore, what we're saying now is that the next task is to make sure those dollars have the impact they're supposed to.

**Mr. Marchese:** We'll come back to those questions. Thank you.

**The Chair:** Thank you very much, Mr. Marchese. Minister, you have up to 30 minutes to respond to any of the questions that have been raised.

**Hon. Mr. Kennedy:** Because we did a question and answer, I tried to the best of my ability to do that at the time. There are a few things I would just say in terms of the information expectations for Mr. Klees. He mentioned and requested identified special education. Just to be clear, at the discretion of principals and special education teachers, we do permit special education services to be provided even though they haven't been formally identified. In fact, it was under your government that that was made possible so that there isn't a delay for assessment.

Also, some parents are very worried about stigmatizing their children. So the answer I'd prefer to give you is the combination of identified and served children, so the children who are receiving services. Out of that 12%, I think something verging on 2% may be children who are not identified because their parents wouldn't let them; they didn't want an IPRC—that identification, placement and review committee—formal hearing, but they did want to see what could be done if some services were provided. That's an important distinction.

Similarly, in terms of exclusion on the safe schools part, I would just say that exclusions are not the same as expulsions or suspensions and that what we can give you is data on expulsions or suspensions. I don't think we are able to give you exclusions as a practice because this is a many-year-old practice on the part of principals, and it isn't based on the Safe Schools Act. You said "the number of students excluded under the Safe Schools Act," and I just want to say that I think you'd be content with suspensions and expulsions because those are the terms that apply under the Safe Schools Act. Is that fair?

**Mr. Klees:** Chair, if I could respond.

That is fair. What I'd like you to do for me, though, is to help me understand more fully what exactly the difference is, and perhaps you can more fully describe for me what an exclusion is, then, and when that comes into play.

**Hon. Mr. Kennedy:** Essentially, there's a power of principals under the act to exclude when they think the overall well-being of students requires it. Like any proprietor of a business, the property is in the custody of

someone, and under the Trespass to Property Act it's the principal. The principal decides who can set foot on the property, who are the right people to be there.

It's something we'll be looking at tangentially to the Safe Schools Act, but it has been there for a long period of time and it is a local kind of practice. We are aware—the reason I'm acknowledging this—that there are students with special needs, and their families, who are concerned about the exercise of that. So we're looking at how that might relate to some of our inquiry.

If I may, Mr. Chair, I'm just saying that maybe, in writing or in the next round, I can get anything else from the member.

I would say that, in general, we're going to put out as much information about safe schools as the system is able to have and verify. We're just going through that process now with the boards: talking to them, making sure that the data we put out don't misrepresent. As I had mentioned before, this whole data exchange has been a long-standing burden on the system and we're trying to find ways to get better at it, because these are questions that should be asked and answered. Some of that is still ahead of us.

Similarly, just to let you know, the dollars we spend on special needs are not attributable to students when they go to the boards. Boards are able, under rules provided by your government, to become eligible for, let's say, 10 students or 100 students, but they are not required under the old rules to spend that money on those 10 or 100 students. Whether or not there should be any of that—people variously call it Velcroing or attaching, and you had mentioned attributing—is part of what the reform group is looking at at the special education working table.

So just in terms of expectation, that's how that works. What we will provide is the amount of dollars that were generated by student eligibility, which I will assume is pretty close to what you were looking for.

**Mr. Klees:** With your permission, Minister, could I get a clarification? Are you telling me, then, that exclusions as exercised by principals—you either don't have the information as to the number of exclusions or you're not prepared to provide that to us?

**Hon. Mr. Kennedy:** In terms of exclusions, there are no data kept. It's something we're looking at as part of our inquiry right now as to whether we can start to find out about the incidence of that and the exercise of that. We're in the process of learning that now.

If I could, then, I'd like to turn to other points that were raised, although not to preclude—most of what both the honourable members have requested are very specific pieces of information, and that says that they'd rather have that than any sense of commentary from me. But what I will say on the special-needs portion, because it was certainly part of the interest expressed by the member for Trinity-Spadina, is that that is an area I would like to see widespread discussion on. I'm proud of the fact that we're a province that attempts what we attempt. There is, unfortunately, no jurisdiction elsewhere that does such a vastly superior job—some would

say, even a better job—that we can borrow from. We're going to have to do a made-in-Ontario way of reckoning with how we extend citizenship to these students and what is reasonable for them as individuals, as families, to expect from us.

That is a tough question because it's relatively new. It's only 20 years. The Americans have about 10 years on us in terms of the time that it's been legally required to try to find ways to educate students, regardless of extensive special-needs background. We did this in 1984. It may have started a little bit earlier, but it came into effect in 1984. So we have a 20-year history of working on this, and we only have the last seven or eight years of trying to coordinate this as a province-wide response. Some of it, frankly, as medical technologies advance, as students with increasingly complex needs have come forward, has taxed the school system. As a minister, I don't think it's a failing to say we don't know everything about how to best respond to each one of those. I will state that it is our ambition to know what we need to know, to pool the expertise we have in the province to make that available, and to be able to make sure that those are the practices that are in place in school boards. It's quite a significant project to be able to do that, but it is something that we believe the funding will do.

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I was just addressing the funding. When we came into government, we were presented with a request from school boards that was \$110 million above and beyond what Dr. Rozanski said was required for special needs, which was a \$250-million increase. We're now talking 365 million new dollars in the course of two years. We looked at that, to comment a little further on some of the discussion that preceded, and we did see issues with that. We did see that it became a funding-driven system. For example, most regrettably, in some places, if a child needed an assessment, and maybe their presenting educational problem was not that great, they might go to the back of the line, not because that assessment couldn't be made available, but because it was more valuable to the system to assess some other child who had more severe needs, because they would be severe enough to generate funding. This became a contortion, in my view, within the system, and one that I think we quite properly have now suspended so that it doesn't take away. One estimate was that as much as \$50 million of staff time went into the construction of those forms, not including the full cost of assessments, because many of them are paid for in the health system. This became a mini-industry within education, so we then, I think quite properly, have said, "Look, that isn't the right focus. We do need to know about needs, but we need to pay for the educational attainment of students and put less money into these delays and this whole conversation." The last government did make a shift, encouraged by Dr. Rozanski, but ultimately that became a shift that really hit some of the problem parts of the design, which said, effectively that you can go fishing for dollars.

Parents have welcomed the focus on results, we believe, and so have the superintendents of special edu-



cation. People are working pretty collaboratively right now, trying to find a way to get that expressed. How do we know, for somebody who's intellectually challenged, someone who has behavioural problems, someone who has autism, someone who has any presenting difficulty—once we've confirmed that in an educational sense, what are we doing about it, and how good are we at it? Where's the research to back that up? How effective can this be? Those are the kinds of things that we think our education system needs to do, whether it's the 2.8% that have extra-special, conspicuous high needs, or even the 12%. It's just all part of education these days.

That's why, for example, we've brought in a teacher induction program this year. What we hope to get at is supplementary training for new teachers, because one of the highest things on their list as new teachers that they say they don't get enough of in the pre-service programs in university is knowing about the particular needs of students. If there's a signature for what we're trying to do in education, it's more individualized attention, and this, I guess, is the most conspicuous part, these very strong individual needs. People are more easily familiar, I know, with exceptionalities like blind and blind-deaf and people who have physical impairments, but there's a whole range of needs. If we recognize them early enough, there are actually good, strong educational interventions we can do. The whole thrust of this program, since 1984 or so, is that they can attain a much higher degree of self-reliance, a much higher degree of self-attainment than has been possible before.

I think all the parties agree that that's a great objective, but as we look at where the system sits today, there's still a significant distance we've got to go if we're actually going to do that in a functional way across all of those challenges. I'm sure we're going to find that there are some limits, but at the same time, we think there's a lot that can be gained just by making sure that boards don't have to flounder—in some cases themselves, especially some of the smaller boards—to know what is the right response to those students who are coming in the door.

So we look forward to that. It's one of the working tables we have. The teacher induction program is under-way this year and it will give first-year teachers a second professional step. Previously we only had a year of university training, about 32 weeks of class preparation and then in-classroom, split, depending on the faculty. So 75% of our teachers had that one year of preparation. The royal commission in 1994 said we should be looking to extend that, but we should do that in a way that provides on-the-job training. So that's what we're doing. We're basically formalizing, through a \$15-million program, on-the-job training for those new teachers. We're giving them mentors, experienced teachers who are qualified to help them deal with the challenges. For example, classroom management: You can be assisting in the classroom when you go through your teacher practicum, but you're not necessarily learning what it's like to be in charge of that classroom.

Dealing with parents: Similarly, you might attend parent-teacher nights during your university preparation, but you're not the person who has to respond, one after another, to those particular needs and the particular ways that they're presented by a whole variety of parents, and you should be good at that.

Those are some of the things we see being picked up in additional professional development for these teachers. So rather than have their first year be a very difficult year, a burdensome year—because sometimes new teachers get some of the tougher assignments; they have to learn the whole curriculum. If you're a tenured teacher, you've now been through the curriculum a few times, and that saves time. You've got a big advantage on these new teachers. We think that has to be officially recognized in the system, and therefore new teachers will receive that. They'll get a proper orientation and they'll also be evaluated.

Previously there was money spent on a pen-and-paper test, which 98-point-something of the teachers who wrote it passed. What we think is better instead is a classroom evaluation by the principal. That will be conducted twice in that year. It will be developmental in nature, so that if you don't do well, you'll get some further development, because we also want to get at the situation that can exist out there where if a teacher is struggling, they may not pass their probationary contract. The problem with that is, they may never get the full attention to become a good teacher. They could catch on with a board that has more trouble recruiting teachers. We think it's all of our responsibility, the province as well as the board, to make sure that every teacher gets support to become a good teacher. Those are the kinds of things we're doing already.

Further, though, is that we want to be able to provide support, and we put this out in a paper last year to say, "We want to provide support at each stage of professional development to teachers." That's another set of programs that we're trying to put together now. We have, again, a working table drawing on teachers, school boards, principals and parents, and they are currently addressing, what are those other kinds of things that should happen? You can be a teacher for 10 or 20 years and you still need renewal. You still need to have access to the latest learning.

We have a progressive grid within education that incents teachers for the first 12 years, but beyond that we need to find other ways of making sure that learning is taking place. The expression of learning is itself the result of a learning aptitude on the part of teachers. A lot of them do it, they do it out of pocket, but we want to find a way to support that so that the quality of what they're able to provide is kept up.

We think we also need to take some of the responsibility for making sure that—just like new teachers need to be encouraged, so do continuing teachers. For example, at one time we were losing one in three new teachers. We believe that has now changed significantly, and that saves the system. When it was one in three new teachers, it cost us \$30 million a year in lost recruitment



and lost training expenses for those teachers, so that, to us, mattered quite a bit.

Similarly, we had, for a few years at least, a record number of retirements that took place. It was due in part to pension changes but also to some sense of dissatisfaction on the part of experienced teachers. That has now come back significantly. That saves us some of our training costs. That saves us in some of the expertise that we're able to deploy.

In addition, we understand that already, even as we're putting more formal policies together, the teacher rates of short- and long-term disability have come down dramatically as the stresses in the system have been reduced and some of the teaching conditions have been better aligned with the challenge of the students coming in. We think that's important because it saves money for the system and it says that we, the province, are giving our boards, who are the direct employers, a chance at doing the job they are required to do, which is to be the best employers possible.

Unlocking the potential of teachers is certainly part of our agenda, but there are other education workers as well who we think matter and are important, and we have tried to work with boards on that. I mentioned before 4,000 education workers who have come into the schools in the last couple of years. Matching them up with the right kind of training is very important because they are, not exclusively but by and large, matched with students who have particular needs. There has not been a rigorous program for that. We have a \$25-million fund with the Council of Directors of Education which is going to address the training needs so that we are identifying best practices, we're able to train the staff to do it, because that's the only way that the system changes. In years past, people would bemoan that a lot of our investment goes into people, but this is, of course, a people endeavour. It's like high research industries; it's like service industries. You've got people there, and that's the nature of it. The question is, what use are we making of that?

1750

We've added about 2,400 teachers to lower class sizes and 1,300 teachers, as previously discussed, for our student success initiative. There are 600 new specialist teachers this year, on the way to 2,000 when fully implemented. We think these are good investments, because what we're basically doing is starting to match some of the quality things that are happening in other parts around the world. We note that Alberta is also now trying to match us in terms of a class size reduction. There are a lot of jurisdictions that recognize the inherent value of not just letting students get lost in the crowd, but of getting the most amount of individual attention that you can to students at the earliest age possible. Our Every Child program is doing that. We do think, even though it's our sequence—we started with elementary; we felt that was where the most difference could made, and we've now really been ramping up in terms of student success—that it's also about giving individualized attention. Those 14- and 15-year-olds who have become

discouraged with school need to have some kind of response that tells them that they matter. It isn't as simple as saying "the trades"; that's not what we have in mind. More of them could go to university. Conversely, some of the ones we have going to university who struggle in their first and second years maybe should have taken the trades instead. In fact, half of the people who go to our colleges have university preparation, but they came to realize that that's the best place for them to be.

We're looking for quite a different culture in our schools. One thing we would say—this is not a criticism, only a truism—is that almost everybody who works in them is university-educated, so you can appreciate that we don't have quite the culture of those other outcomes. Yet 67% of our students are going to an outcome—a college; an apprenticeship, although not as many as we would like; the workplace; or, most unfortunately, especially if they don't have a diploma, unemployment—and there simply isn't the same recognition that the better destinations for them are just as valid as a university for some. Part of it isn't something we can lay at the feet of the full-time people in education. Those of us who are parents develop this. Out of all the OECD countries, it's only ourselves and the Americans who have 70% and 80% of our parents wanting our kids in university. It's a mindset that we have. We would say to parents, "Look, be as ambitious as you possibly can for your kids, but be respectful of them. Respect what could be the best ambition for them."

I think everybody around this table knows, in terms of talking to local industry, the shortages we have in well-paid and sometimes very highly challenging careers in the trades and in some of our higher technical aspirations. We're short of those people. We need to be able to make our high schools do a completely different function. To us, it's something that our high schools can be capable of.

We invested \$45 million, for example, in the technological fund, so that instead of walking into your alma mater and finding they use the same equipment in shop class they did when you were there, they're likely now to have more state-of-the-art equipment, and, more commonly, in partnership with industry. They're working with our community colleges, but they're also working independently in some of the communities, where industry takes a real interest in leveraging the investment we have to make sure that students, for the first time, are working on modern tool and die, modern AutoCAD, modern kinds of things that will actually show them what happens. So there's a whole range of things that we're pretty excited about the possibilities for, but they are going to take some time to develop.

The basic approach we've brought to education is that while lots can be done—and some of the results we're showing, whether it's the fact that there seems to be some turnaround in terms of the dropout rate and the school graduation rate, or the fact that there are better reading, writing and mathematics outcomes for more students, are really just the most conspicuous part—what is underlying that is a sense that our education system really can reach

a wider range of people, that we don't have to be satisfied with saying that there's a 33% good outcome and the rest we're really feeling sorry about. We can customize more for some of these other students, and we can get good at it. I think it's a message that our business folks have been asking for for some time. They want to know what a high school diploma really means to them and whether it's really addressing their needs or not. I think that this is the kind of challenge that we have.

I will say, for the curriculum, that it has inherent in it some of the possibilities for that, but it hasn't necessarily been realized. For example, there are 165 courses you could take, but none of our schools, let alone our rural schools, are in a position to offer them because there are far too many. So what looked good on paper is tough in terms of realizing it, so some of our strategies going forward have to be about how to get the right courses available and how to make sure that students can get matched.

I would not say that any previous government tried not to include students. In fact, if you look at what then-Minister Johnson said, if you look at what then-Minister Snobelen said, it's quite the opposite: They said, "We're going to bring in this new curriculum because we want more kids to go to college and we want more to get high school diplomas." Unfortunately—we have to agree on the facts—that didn't happen. That's no longer important, but what is important is what we are going to do about it.

Part of it is, in order to not have a confirmed trend of kids not achieving, we need an attitude shift. I think that's the quickest thing we can do. It may sound paradoxical: Usually changing attitudes takes a long time. I think people know the truth of this, though. They know that they've got to be encouraging of these students; they know that we've got to give more than lip service to these other outcomes that people have.

Part of the thing that we've talked about is the way we can do that officially. Moving the school-leaving age to 18 is one part, but so is having actual program incentives for students that take place within their curriculum. Co-ops are probably the most important of these in terms of engaging in a situation. Let's look at who is at risk to leave: Something like 43% of males, a little less for young women, are leaving because of jobs and workplace, and then there's another higher percentage because of the inadequacies of education, as they perceive them. If we're going to compete with that job at a fast-food place, we've got to provide some real incentive. I think we just have to accept that challenge.

People have asked the question, quite rightly: What can we do in terms of some of the problems that people perceive around the attachment of certain youth to education and to their futures? Again, we've got to compete for those kids and just clear up what it is we are offering them. We've got to ask ourselves that question. That offer looks a lot different, unfortunately, in grade 8, where everybody's pretty enthusiastic, than it does by grade 11, where we've got what Dr. King talked about in

his report. He said that the curriculum and the way it was managed created an environment of discouragement for kids. About the grade 9 applied course he said that there's very little evidence that learning took place in those classes, and yet it existed for four long years.

The overall ambition of the government is to reconnect a wide swath of the public with education. Like any important public service, it requires public investment. The only way we can do that is if people care about its outcomes. We certainly believe that on the surface everybody cares, but I would say, too, that there are a lot of us, maybe even a whole generation, who have taken education for granted. That is a big issue. Some of the very success that previous generations have had—I'll certainly cite Mr. Davis, who did a lot of important things in terms of the education system. There isn't that same kind of energy there now, and we simply have to have that if we're going to have schools that are going to compete.

All around the world, there are investments being made in K to 12 education, in preschool education and in university education, and this province has not kept pace. Our investment per GDP has not kept pace, our investment per student didn't keep pace. We're making some of that up. What estimates is looking at today is the latest in what is an overall, four-year, \$8.3-billion investment. It's a very significant boost to what can be done. But I would not say that the investment is the most important part of it. Yes, it will increase funding by some 14.5%, but what will matter most is that at the end of it, and maybe there are even some signs of it now, we will have a consensus on how education can be improved in this province.

**The Chair:** Thank you very much, Minister. Before we adjourn, I do need to bring to your attention a matter of some delicacy. In my seven years as Chair, we've not come across this, so I just want to share with you that this is an all-party committee of the Legislature. Its rules are bound by the House leaders. We still have outstanding questions from your last estimates. As I say, in my seven years, I've never come up against this, but we have notified your staff. I would like you to look into this. We have sent notes to your ministry and we've referenced it once before on this occasion.

I would like you to take that under advisement. If you could make that the first order of business when we come back tomorrow, it would be appreciated. You are a former Chair of this committee, and I would appreciate—

**Hon. Mr. Kennedy:** As former Chair, I would say it wasn't entirely foreign to happen, but I wouldn't want it to happen under my ministry. I will undertake to see what has happened to those responses, and endeavour to try to get whatever's outstanding to you as quickly as possible.

**The Chair:** Thank you very much.

This committee stands adjourned until immediately following routine proceedings tomorrow.

*The committee adjourned at 1759.*





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## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 2 November 2005

# Journal des débats (Hansard)

Mercredi 2 novembre 2005

**Standing committee on  
estimates**

Ministry of Education

**Comité permanent des  
budgets des dépenses**

Ministère de l'Éducation

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATES

Wednesday 2 November 2005

COMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Mercredi 2 novembre 2005

*The committee met at 1554 in committee room 1.*

## MINISTRY OF EDUCATION

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates. We are in the process of doing the Ministry of Education. We will now do 15-minute rotations.

Mr. Klees, you have the floor.

**Mr. Frank Klees (Oak Ridges):** I'd like to, first of all, amend my written questions that I put to the minister yesterday. Specifically, I'd like to amend the wording of questions 3, 4 and 5 to include in each of those questions after the word "exclusion," the following words: "suspensions or expulsions as defined in both the Education Act and the Safe Schools Act." I think this will help to clarify the question that the minister raised yesterday as well.

I have another request in terms of tabling information. The minister has made many announcements over the course of the last year. I don't know if it's just me or if other members of the Legislature, or stakeholders as well, have lost track of all these announcements. I'm sure you're keeping a running tab of those announcements. It would be very helpful if you could table with us a comprehensive listing of all the announcements that the minister or the ministry has made relating to education, and itemizing the dollar amount, whether that be operational dollars or capital dollars, and being very clear as to the source of those dollars in terms of the program envelopes that they would come from or go to. When you prepare that, I'm interested specifically, as well, in regard to multi-billion dollar capital announcements. I'm having a difficult time reconciling those capital announcements with what I see in the budget. So could you structure that information in such a way that I can follow the announcements of the capital amounts to where those funds will be coming from out of the ministry budget? As well, along with that, if in fact those announcements—if it was, say, a \$2-billion announcement, if there was an expectation that some of those dollars would be leveraged through private sector financing I'd like that to be noted as well.

**Mr. Ben Levin:** Could I ask a question of the honourable member, just for clarification, Chair?

**The Chair:** Yes, you may.

**Mr. Levin:** On announcements, are you asking for a complete set of announcements since the government took office, or over the past year?

**Mr. Klees:** Over the past year.

**Mr. Levin:** OK. Can I understand an announcement to be something where a press release was issued? The ministry, of course, sends out a lot of notifications to boards, and I'm assuming those are not what you're looking at; you're looking at announcements made by the minister.

**Mr. Klees:** I'm looking for announcements made by the ministry with regard to, say, "Good news, we're issuing another \$2,500,300 and we're going to hire 1,300 new teachers."

**Mr. Levin:** Yes. Thank you. We can do that.

**Mr. Klees:** I'm getting close to really needing the minister here, but I will ask the deputy if he could help me with this. I'd like to move on specifically to special education and the funding and various policies surrounding that.

1600

I'm having a very difficult time understanding various programs under which special education funding is transferred to school boards and authorities. So I would ask you if you could outline the various programs under which special education funding is transferred—I'll follow this up in my questioning—in terms of the accountability that is in place to ensure that the intended program for that special education funding is where it ends up. If you could help me with that.

**Mr. Levin:** Yes, certainly. I will try to outline this, and I'll ask my colleague Nancy Naylor, who's more familiar with the details, to correct me or supplement, if that's agreeable.

The main special education envelope has several components in it, and one of those components actually changed in the last year. So if we go back to what the situation was in 2003-04, there was an envelope called SEPPA—special education per pupil allocation—which is an amount given to boards based on the enrolment. In other words, it has nothing to do with any identified students for special education. It's a total enrolment of the board, so much per student. That was about 40% of the total special education allocation, roughly.

Then there were amounts under individual student allocations, what was called ISA—ISA 1, 2 and 3—which were related to degrees of severity of disability for particular children.

So the idea is that there is an amount that boards get in recognition that special needs of various kinds are broadly distributed and should not all be attached to particular children, because there are children who may go in and out of service at different points. That's the SEPPA.

The ISA amount is for students with more severe disabilities, where there's a belief that there is money that, in a sense, is specific to the needs of a child—a child who's medically fragile, or has particular behavioural issues, or otherwise needs some kind of assistance that is beyond what could normally be provided.

There were in the old system three levels of that, related to severity, with increasing amounts. The number of students being identified in ISA each year was going up quite steadily. So in August 2004, a decision was made to end the ISA process, such as it was, and replace it with what we're calling a net new needs process. So what was done in 2004-05 is being done again in 2005-06.

As the minister outlined yesterday, the ministry has said to boards, "Where you can show us that there is a student where you are incurring an additional expenditure related to a special need, we will reimburse you for that expenditure." That's happening while the working table is looking at a restructuring of the way we fund special education that would provide us with a longer-term vehicle to replace the old ISA 2 and 3 system.

**Mr. Klees:** Are there different levels there as well or is it just up to the principal? How do you determine what the amount of funding is, then, for these students? They're going to have varying degrees of need.

**Hon. Gerard Kennedy (Minister of Education):** The way that's been done is that we're providing them, currently, \$17,000 for each additional, and that's the average amount they had received before. Boards have frankly indicated that that is satisfactory, that it does meet their needs.

As I was indicating yesterday, even though at some point early in the design of the ISA program it was meant to reflect individual needs, it never did in practice. Instead, the qualifying individual students were a proxy for amounts of dollars that went to the board, and not necessarily to a given school even, let alone a given student. It's important to understand that because one of the reasons we need to reform the process is that it never was about a student getting an intervention funded by the provincial government. Approximately two thirds of the eligible individuals are under the old ISA 2, which is \$12,000, and ISA 3, which is \$27,000, form the other third. The exact amount was about \$17,000 as an average and so that's what we provided.

I should say, too, just to correct the record from yesterday, we indicated that we provided \$46 million, but in fact we provided \$55 million. In other words, for everything that the boards requested for last year above previous funding, new expenses to support children with special needs, they were given reimbursement. They were also—

**Mr. Klees:** Thank you, Minister. You've answered that part of my question. I've got a number of questions I'd like to get through.

**Hon. Mr. Kennedy:** Yes. This is your time and I'm happy to make sure it serves your purpose.

**Mr. Klees:** My understanding then is that now under this program it's \$17,000 per student. That's the amount that's allocated. What happens in a circumstance where \$17,000 isn't enough?

**Hon. Mr. Kennedy:** Again, what we're doing with boards is they're coming to us and saying—not an individual student's need—"We had five," "We had 12," "We had 17," or "We had 34 students, new." Obviously at previous levels of funding—again record levels of funding, 65% more than was provided previously, and they're allocating those funds. If they find those funds aren't enough, then they're able to say, "We have this much need." It really then becomes a dollar request as opposed to providing for those services. In fact, we're paying for those services based on their assurance. We're not putting them through a paper mill—

**Mr. Klees:** So the board can come back to you and ask for additional funding if they find that more intensive services are required, right?

**Hon. Mr. Kennedy:** Exactly, and that's what they did do, to the tune of about \$55 million last year.

**Mr. Klees:** OK. The question that I had initially put to the deputy was to outline the various programs. You've done that. You've referred to SEPPA. That's still in place, and you've now replaced ISA with—what are you calling this?

**Hon. Mr. Kennedy:** This is really just an interim high-needs program. It is really just meant to allow the boards to continue—

**Mr. Klees:** No, no. What is the name of the program?

**Hon. Mr. Kennedy:** It is just an interim special-needs program. There is no permanent designation because we are hoping to not create a new system. If you like, it's simply just interim high-needs special education funding.

**Mr. Klees:** I know the deputy referred to it as a program.

**Hon. Mr. Kennedy:** Net new needs, but there is no official title ascribed there.

**Mr. Klees:** Net new needs?

**Hon. Mr. Kennedy:** Yes. But again, that's just describing. It's net of the already existing funding.

**Mr. Klees:** How much time do I have left in this round?

**The Chair:** Two minutes.

**Mr. Klees:** OK. My next question is about children who are excluded under the Safe Schools Act. I know we had some discussions yesterday about exclusions. I think you indicated that there are no exclusions under the Safe Schools Act. I found that somewhat puzzling because in my meeting this morning with representatives from the principals' council, I asked them the question. Certainly they understand there are exclusions under the Safe Schools Act. Could you clarify what you meant when you said that there aren't?



**Hon. Mr. Kennedy:** I don't know if I can clarify; I can only repeat: Exclusions are not either required or referred to in the Safe Schools Act. Expulsions and suspensions are, but exclusions are a separate power that principals have that does not derive from the Safe Schools Act. There have been groups, and there might even be principals—although I think we've got some very well-trained principals. What they take in their AQ courses, their additional qualifications, certainly lays this out, because it's one of their authorities, one of their powers. It's just a distinction that is drawn, because it isn't the same and isn't from the Safe Schools Act. I'm sorry, that's not really a clarification. I just restate that that is how the legislation works. It proposes that for certain actions there be expulsions and/or suspensions of students. Exclusions are not part of that framework.

1610

**Mr. Klees:** OK. I'll follow this up later.

**The Chair:** Mr. Marchese.

**Mr. Rosario Marchese (Trinity-Spadina):** Yesterday, Minister, you were talking about an outcome-based strategy. Under your outcome-based strategy, how would funding be allocated?

**Hon. Mr. Kennedy:** That's exactly the question in front of the working table on special education reform. It's looking at a variety of models that would go with that. Again, it is ensuring that—a little bit to Mr. Klees' question—the services in question that we're providing, that we're paying for, are those that are most effective for students. It is something that the special education community, the SEACs and so on—

**Mr. Marchese:** They're going to develop some processes.

**Hon. Mr. Kennedy:** Well, they're working on it now as an overall, but it will give a lot more power to boards to determine how they use the dollars. The money they have now is obviously a starting point in terms of determining needs. What we're making sure is that that large increase in funding—it's about 65% more than it was for the high needs—is going to be used properly.

**Mr. Marchese:** I understand. The deputy just said, before you came in, that the old process is gone, that ISA is gone, and that we've got a new interim process, the net new needs process. Then we've got this other group coming along that will develop some other model after that, which presumably will be the outcome-based model. Is there an interim net new needs, given that the ISA is gone, or are they two different things?

**Hon. Mr. Kennedy:** The thing to understand here—and I know you understand this; I'll just put it this way because I think it's directly germane to your question—is that the ISA process was just a funding process on top of a needs determination. In the schools today, and since 1984—and I know that members around this table are familiar—there's an individual education plan that is done for each of the students who has a special educational need. Before that, if they're getting designation as a special-needs student, they go through an individual placement assessment, the IPRC. Those are the things

that determine whether someone needs special-needs services. What we're saying right now is—this is what the committee is looking at it, to go to your question—rather than having a duplication or a triplication that takes up so much time, can't we just use the existing processes as a way of allocating funds and a way of making sure that the dollars are arriving at their best purpose? So you appreciate that what you just mentioned isn't quite accurate. There are not different systems here.

**Mr. Marchese:** If I could just ask the deputy for a second: Deputy, was it correct to say that the old system is gone, that we're no longer using it, and that you've got an interim net new needs process?

**Mr. Levin:** The ISA process for allocating funds towards ISA 2 and 3 is no longer being used. That's correct.

**Mr. Marchese:** And now you've said that in the interim, there's a net new needs process.

**Mr. Levin:** Yes, as the minister has just outlined.

**Mr. Marchese:** Just the way he outlined it?

**Mr. Levin:** Yes.

**Mr. Marchese:** Isn't that amazing.

**Hon. Mr. Kennedy:** The point here, Mr. Marchese, is that there is nothing—

**The Chair:** It was not a question, Minister. Mr. Marchese has the floor.

**Mr. Marchese:** There are so many questions. For a little clarity: What information, if any, would a board have to submit to obtain funding under your outcome strategy?

**Hon. Mr. Kennedy:** Again, the outcome strategy, as you're referring to it—and we have made clear that that's a central part of it—is being worked on. Under the current net new system, if we like to call it that, they're on their own recognizance. We're basically accepting the boards' professionals' words that they have these extra students. We do spot audits and so on, but ultimately, that's the thrust of this. We trust the boards' professionals to make the right determinations.

**Mr. Marchese:** I'm not sure if I was in the room yesterday when you might have said the following. Just clarify for me what you meant. You remarked that the 2.8% incidence rate is too high as compared to the previous rate of 1.3%. Did you say something like that—

**Hon. Mr. Kennedy:** I didn't say anything like that, and I appreciate the opportunity to clarify. What I did say was that we have an increase—more than double—from 1.3% in 1998-99 to 2.8% currently, of the percentage of students enrolled in school with special needs. It's higher than any other jurisdiction, so we know that we are at the leading edge of identifying students with special needs. But I didn't say anything about whether it's too high and so forth.

**Mr. Marchese:** Very good, thank you. In 2004-05, you clawed back \$83 million in special education funds from school boards. I didn't make up that number; I obtained that number from your own records. There are a number of questions attached to this, so you can answer them after I'm done. Do you think it was worth the cost



to high-needs children to take this money, withhold it for a year and defer spending just so your ministry could save some money? I fail to see—

**Hon. Mr. Kennedy:** What you're saying is completely wrong.

**Mr. Marchese:** There are a couple of questions.

**Hon. Mr. Kennedy:** Well, I'd like to answer them one at a time. You've asked one, and I think I deserve to answer it. It's completely an error in characterization of what happened.

**Mr. Marchese:** Minister, you didn't listen: I said I've got a couple of questions, so hold off until I—

*Interjection.*

**Mr. Marchese:** I have a couple within the same question.

**The Chair:** You will have ample opportunity, Minister. Mr. Marchese would like to get them on the record—

**Mr. Marchese:** To finish it off; exactly.

**The Chair:** —and we will accommodate that.

**Mr. Marchese:** I fail to see how the realities of special-needs children could have been improved by withholding funds. What about the children who should have had the money spent on them that needed that money to receive programs during the last two years?

**Hon. Mr. Kennedy:** Is that your question, Mr. Marchese?

**Mr. Marchese:** That is the question.

**Hon. Mr. Kennedy:** You're misleading the parents of this province in a very serious fashion. The dollars—

**The Chair:** Minister, I would ask you to withdraw that statement.

**Hon. Mr. Kennedy:** The facts that you put forward—

**The Chair:** Minister, are you prepared to withdraw that statement?

**Hon. Mr. Kennedy:** I withdraw the statement.

**The Chair:** Cut off the minister's mike. Are you prepared to withdraw that comment?

**Hon. Mr. Kennedy:** I am prepared to withdraw, Mr. Chair.

**The Chair:** Thank you.

**Hon. Mr. Kennedy:** Is there anything else?

**The Chair:** Thank you. I just wanted to make it clear for the record and make sure Hansard caught your retraction.

**Hon. Mr. Kennedy:** Thank you, Mr. Chair.

Mr. Marchese, you have not put forward the facts of the situation, which I'm happy to do. The boards were given dollars by the previous government to help children, which a number of the board were unable to do because they received the funds later in the year. Replacement funds to help those children for the next year were paid for by this government. No funds were taken away to support children, but they remained in the bank accounts of boards, first about \$76 million, and then their plans were to put up to \$103 million—not to spend on children. They put out their revised estimates and said, "We're going to hang on to, in our bank accounts, \$107 million." All we did was say to the boards, "We will give

you a new \$100 million every year, but that one-time funding that you put in the bank that only came to you because of an accounting error by the previous government and a lack of due process by that government to make sure that those dollars were spent, those dollars"—

**Mr. Marchese:** OK.

**Hon. Mr. Kennedy:** Mr. Marchese.

**Mr. Marchese:** I've got many questions.

**Hon. Mr. Kennedy:** This is a very serious point. Mr. Chair, I'm not filibustering; I just want to give the answer.

**The Chair:** Mr. Marchese, I'm going to give you a few more minutes of the government's time. If—

**Mr. Marchese:** I've got a lot of questions that he will be able to speak to.

**The Chair:** The minister appears to not be able to compress his answers. We will take extra time for you until you get them all on the record. I'll take the time away from the government until we get a process that we're comfortable with.

**Hon. Mr. Kennedy:** With all respect, Mr. Chair—

**The Chair:** Each of you interrupting the other isn't helping either, so I will manage the floor if you will just—you get your questions on. The minister will patiently wait and then respond, and if it takes a little more time, Mr. Marchese, I'm prepared to give you that extra time.

**Hon. Mr. Kennedy:** Mr. Chair, I will look to you to make a fair determination of when a question is answered—that's all I'm asking for—and not to deduct from the government's time, but rather to give me a fair chance to answer the question as put.

**The Chair:** I will decide whether I deduct time from the government's side, and Minister, we will keep your microphone cut off until such time—normally, I like to leave them both on. We'll cut off the minister's microphone. Mr. Marchese, when you're done, you can then turn to the minister. If you're having a hard time with this minister, we'll work it out.

Mr. Marchese, you have the floor.

**Mr. Marchese:** With the clawed-back money, you established a fund called the effectiveness and equity fund. You had a different type of criteria for returning the money you clawed back. According to this document which comes from your deputy, the criteria for returning the money are: (1) amounts placed in special education reserves in 2002-03 and prior years from revenue other than the special education allocation; (2) expenditures from 2002-03, special education reserves that were approved by the school board prior to July 1, 2004; and (3) funding required to provide programs for newly enrolled students in 2004-05 who have high needs; net funding requirements that have changed because other high-needs students are no longer enrolled.

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My questions are: How much money was returned to the school boards that placed funds in their special education reserves prior to 2002-03, in excess of any

amount that would have been required by the special education enveloping provisions?

**The Chair:** Is that it, Mr. Marchese?

**Mr. Marchese:** That's my first question.

**Hon. Mr. Kennedy:** Through you, Mr. Chair, \$9.8 million.

**Mr. Marchese:** Is it \$9.8 million? That's what I heard, right?

**The Chair:** That's correct.

**Mr. Marchese:** You have to speak up, Gerard, because I can't hear very well.

You've said that you set aside \$9.8 million from the EEF to boards to place funds in their 2002-03 reserves from other revenues. How much of that \$9.8 million has flowed back or was approved to flow back to school boards?

**Hon. Mr. Kennedy:** Again, Mr Chair, through you, the \$9.8 million was provided to the boards, and no further requirements were made of them for that \$9.8 million. It was because the dollars were put in from reserves other than the one I described when I attempted to answer—

**Mr. Marchese:** So the—

**Hon. Mr. Kennedy:** —the previous question.

**Mr. Marchese:** Just as a—

**The Chair:** Mr. Marchese, let the minister finish. We're going to give you the time.

**Mr. Marchese:** It was just a simple question. How much money has flowed back?

**The Chair:** But let him finish.

**Hon. Mr. Kennedy:** The answer to that question: \$9.8 million remains.

**The Chair:** Thank you. Now the question, Mr. Marchese.

**Mr. Marchese:** You said \$9.8 million remains. Did that \$9.8 million flow to the boards, yes or no?

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** Can you provide us with a board-by-board breakdown of the monies approved to flow back to school boards under this criterion?

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** How much money was returned to school boards, or is assigned to return to school boards, that use funds in their special education reserves from 2002-03 during the course of the 2003-04 school year?

**Hon. Mr. Kennedy:** Essentially, the total of expenditures that were approved by the board prior to July 1, 2004, was \$9.6 million. Funds that were expended in the 2003-04 year would not have been captured. It's a little bit complicated in terms of how the reserves worked; it only incorporated those monies that were in reserves at certain dates. But \$9.6 million was provided for expenditures that were authorized before July 1, 2004.

**Mr. Marchese:** Mr Kennedy, I'm using the criteria that you're responding to. The criteria—Nancy is nodding. So the answer to my second question is \$9.6 million?

**Hon. Mr. Kennedy:** Through you, Mr. Chair, yes.

**Mr. Marchese:** You stated, then, that you set aside \$9.6 million from the EEF to boards with eligible expenses. How much of this \$9.6 million flowed to the boards—has been sent?

**Hon. Mr. Kennedy:** Again, it was all sent to the boards.

**Mr. Marchese:** All sent. OK. Can you provide us with a board-by-board breakdown of the money approved to flow back to school boards under this criterion?

**Hon. Mr. Kennedy:** Yes, we can.

**Mr. Marchese:** By the way, when can we get this information?

**Hon. Mr. Kennedy:** I'll check and report back to you.

**Mr. Marchese:** How much money was returned to school boards or is assigned to return to school boards that need it to provide programs to newly enrolled students with high needs in 2004-05?

**Hon. Mr. Kennedy:** Through you, Mr Chair, \$46.4 million. Just to be clear, the combination of \$46.4 million and \$9.6 million is the \$55 million that was available to be used for operating expenses in the year I referenced earlier.

**Mr. Marchese:** And of this \$46 million, all of it has flowed to the boards?

**Hon. Mr. Kennedy:** Yes, all the dollars have flowed through to the boards. Again, I want to emphasize that all the requests we have from boards were funded.

**Mr. Marchese:** Can you provide us with a board-by-board breakdown?

**Hon. Mr. Kennedy:** Similar to the other answers, yes, we can.

**Mr. Marchese:** Regarding the last criteria—Mr. Chair, how much time do we have?

**The Chair:** Up to three more minutes.

**Mr. Marchese:** I need to review some numbers, Mr. Chair, so I'll go around to the next—

**The Chair:** Fine. Thank you, Mr. Marchese.

**Mr. Wayne Arthurs (Pickering-Ajax-Uxbridge):** Just prior to proceeding—I'm going to turn momentarily to Mr. Parsons for his questions—I just wanted to query, if I could, the time allocation on the 15-minute rotations. Are we on 15-minute rotations?

**The Chair:** That is correct.

**Mr. Arthurs:** Thank you, Mr. Chair. Mr. Parsons?

**Mr. Ernie Parsons (Prince Edward-Hastings):** I'd like to continue on the same theme as the others.

I guess, by way of history, I recall being a parent on a special-ed advisory committee in 1981. Over the years, we've adopted and fostered a number of children who required special education.

I guess, as an editorial comment, I am so pleased to see ISA 2 and 3 gone. As a school board trustee, I watched huge resources go into submitting the information, and as a parent, I was deeply troubled that my objective became to portray my child in the worst possible light to attract maximum funding. I found it hurt, as a parent, to have to do that.

On the other hand, both as a parent and as a trustee, I became and continue to be impressed with the quality of



people we have in the school system. I'm absolutely convinced that within the school, each of my children's teachers and their principal had a pretty good handle on what my children needed without any paperwork. They had a pretty good handle on what they needed. They had the broader picture that I didn't have as a parent, as to the total needs within that school.

I applaud the initiative to use the brains and the talent we have within our system to allocate the money to each child with particular needs. In many ways, it is a return to pre-1990 days. We have highly skilled, talented, motivated people who know best how to compromise. I also recognize that the needs that my children and other children have in September may not necessarily be the same needs they have in December or the following March, and yet the ISA system said, "This is it. They're frozen in time for the year, and these are the supports required for the year."

So it is important for me to ask that your system will reflect the ability for a school to change. Some of my children had lower needs four months after the ISA process; some had higher. My question is whether the system you're proposing will allow a local board to reflect these changes and needs among the students.

**Hon. Mr. Kennedy:** That is at least one of the principles we put forward for the reform. It's still underway, but I know that that is essentially the thrust of what we're trying to do. We do have to allocate between boards, which is the challenge, but we don't want that to get in the way of the response from a principal, from another knowledgeable person, sometimes from a board resource person, but mainly from the people in that school, and we do see it as a dynamic.

One of the terrible things about ISA was that it was almost better to have students not improve, because to do so was then not to get a threshold of need that would get the board its funding. So this really became a board exercise that had enormous impact on the school. It took the best-qualified people, the people who knew the child every day—maybe there were things they needed to learn from that resource person, but they knew the child—and put them out of the classroom and into the backrooms, filling in this paperwork, sometimes for as much as three or four months on end. In the course of the ISA, they did this four times for some students. I can't imagine—I know, Mr. Parsons, that you have a number of sons and daughters and people you fostered who went through this system. The parents themselves must have found this to be concerning.

**Mr. Parsons:** I had to dumb down my children, and it offended me to do it.

**Hon. Mr. Kennedy:** I'm not trying to detract from the intentions of people who tried to move special education forward. It was seen, at least on the outside, as a system that would contain the amount of money available to special-needs children, and for many years, children would be eligible but there wouldn't be funding for them. So the funding was capped instead, and then only laterally—in fact, Dr. Rozanski identified all these files

sitting there unfunded, that the ISA system was used as a funding system. Then it became a real kind of competition among boards to get in under that—again, all very far away from, "Are we doing a good job for that child? What are their educational needs?" Let's see them as their potential in terms of education. Let's not see them as either numbers on a funding sheet or people who can only be known by their deficits. I know that some of the terms for the ISA were seen to be as offensive by parents, and I understand why. Some parents would not submit, they wouldn't let their child who had certain exceptionalities be labelled that way just to get an education with those extra assists. So there were lots of reasons, I think, to have this system go away.

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Maybe the most overriding one, and one that's only apparent from a ministry perspective, is that it's extra, it's an add-on. There is already a system that involves a lot of people. The IPRCs involve expert people, and the IEP is set by a teacher and then reviewed by a principal. We think that system really could become the basis for everything we need in terms of moving forward, but that's a school-based system. We hope that will indeed prove out when this reform work is done. Whatever is done will have a lot of say at that local level, because that is where most of our gains and our advances are made.

I want to say that many, if not most, of our children with special needs can make great advances in education. They belong in schools, they do well even under conditions where complete support isn't available, and that's something we need to keep in front of people. This is not about how to handle students; this is just simply about getting them to their potential. They're doing that all across the province. We just need to do a better job of supporting them.

**Mr. Parsons:** One last comment: The number of children, the percentage, in special ed is higher than it was, and I would like to suggest that part of it is better identification, because I think that is the case. But I also think the schools are doing a better job of keeping kids in school. Kids who see themselves falling behind the rest in their class are waiting for the day to get out of that environment. But with these special-ed resources being delivered, they're achieving success, and I think success motivates them. So I think it's a combination of two things that are driving the numbers up: The kids with higher needs, who two generations ago would have disappeared, are now able to achieve success in certain areas and are hanging in. I think that speaks well of our schools.

**Hon. Mr. Kennedy:** I know it's not a complete measure, but for the percentage of students with special needs who wrote the literacy test, for example, we did see some good gains. We have to say, for our reading, writing and math in the early years, it was not as strong as we would like, but it did go up two or three points. We made better gains for children with English as a second language, for example, but that is exactly what we mean. That may not be the right way to relate achievement, but



this is what parents ask me time and time over: How well is my child doing under this? Not just whether there is a resource nominally for them, but is that causing what I want for them, which is for them to go forward, to be better educated, to learn and to be the best person that they can? I think we're getting closer to that. I really do think that's almost widely agreed within education now.

**The Chair:** Mr. Leal.

**Mr. Jeff Leal (Peterborough):** Mr. Chair, how much time do I have?

**The Chair:** I think you've got about eight minutes.

**Mr. Leal:** Thanks, Mr. Chair. Through you to the minister: My son is in grade 2 and my daughter is in grade 1, in French immersion, in Peterborough. I want to talk about capping of class sizes. Minister, can you tell me where we're at, in terms of all boards across the province, and when we will get to the final stage where we reach all classes from JK to grade 3 being 20 and under?

**Hon. Mr. Kennedy:** It is a four-year program; it is a very extensive program. So far, it's taken 2,400 new teachers to get the progress that we have. We believe that 70% of students are in classes that have been reduced, or that are smaller. To get us to 100% and to 20 will take us the full four years. Now, in the real world, 20 means this: Nine times out of 10, you'll walk into the classroom and will count 20 or fewer students. Because there are changes in-year, because there are certain kinds of things that are unavoidable, that 10th class will have a maximum of three additional students, so that there is some minimal flexibility. That's what a hard cap means in the real world. It's not a board-wide average, which is what we've seen in the past, which is just a mathematical calculation, sometimes not that carefully wrought, and really not reflecting any of the experiences that students or parents would be perceiving.

This is saying to JK to 3—and I'm glad to know you've got two kids in that zone—that they get the best start possible. We think that it is an initiative that substantially will pay for itself by the time those students are done their education. It'll mean we know there are challenges and opportunities at the earliest age possible because they're getting individualized attention from that classroom teacher. We believe it's part of the reason why we've already had a very significant—and it's only a beginning—jump in grade 3 reading achievement, for example. For the first time since there's been the standardized test across the province, reading has improved in grade 3 fairly strongly in terms of about a five-point jump. We think it's related to this individualized attention and the fact that we have made progress. Every board shows that progress. They're each equally given resources in this program. It will, though, take the full four years to get this fully implemented, including the extra spaces and things that we need.

**Mr. Leal:** In what I thought was a very enlightening throne speech, one of the components was the development of the alternative diploma. We know we have a significant dropout rate in Ontario, and the alter-

native diploma is to keep those individuals who are not particularly adept to the academic stream in school and provide them with a skill set to go on to perhaps an apprenticeship program or other opportunities. If you could just comment on where we're at in terms of—for want of a better term—constructing that new alternative diploma for individuals.

**Hon. Mr. Kennedy:** The government is in discussion. We just had a meeting of our partnership table, which is something we've instituted to make sure that the heads of all the educational organizations—parents, principals, trustees, teachers, education workers—and we're soon going to see business and non-profits—are all there. We've had a chance to discuss what this could mean and so forth. I think people want to make sure we offer a good outcome to every student, that they can see that on the horizon.

The last curriculum was certainly less successful than any other for many years in terms of all outcomes except university, but the one before that was not exceedingly successful either. So we've got to learn the lessons of a fair bit of time.

The alternative diploma is one way to attract a certain group of students that may not have the ability to do the credits as they're currently laid out, but we want to make it very clear that most of our progress will be made by better learning for students. In other words, more students will succeed at the existing diploma that is itself made more interesting and more effective, because again those other outcomes aren't as prominent, aren't as strongly either promoted or presented in our schools.

It's going to require a change in attitude. Most of the people who work in our schools work very hard. They're very good, but they are largely university educated. We think that the college outcome, apprenticeship outcome and job placement with skills outcome are equally good outcomes that we need to associate ourselves with positively really early on for students.

That's going to be part of the approach, and the alternative diploma has a place in that because there are some students who may not fit that traditional diploma, but they are going to achieve something if we give them something to achieve. That has to be something that is meaningful. It has to mean something to them—they can tell if it's going to be some kind of second prize—as well as their parents and employers. That's what we're committing ourselves to, that every outcome we offer within our high school regime is going to be a meaningful one, is going to convey both academic accomplishment and skills, but the mix of that will be different in order to respect the fact that these students have potential.

I mentioned in another forum recently that for young adults with less than high school, jobs are drying up at the rate of 3% a year. It's simply not like it was 15 or 20 years ago when we could be in any way blasé about this, let alone what happened in the last year of the last government where we had the new curriculum and an extra 15,000 students who didn't get a diploma. This puts

an edge into our need to improve, to go ahead, but even the old rate of success wasn't high enough.

So there are a number of things that will add up to a better outcome, and the alternative diploma will be one of those things that we'll be putting forward in a very short while.

**Mr. Leal:** Thank you, Minister.

**Mr. Klees:** Minister, you'll be familiar with the organization referred to as ARCH, a legal resource centre for persons with disabilities. According to information I have, they presented you with a brief on December 4, 2003. Do you recollect that?

**Hon. Mr. Kennedy:** I can't recollect the specifics of a brief, but I have had interactions with ARCH. I may have to reference the brief to be sure.

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**Mr. Klees:** In the brief, they refer to suspensions and expulsions and regulatory exclusions and coerced withdrawals from school. The reason I raise this is that I have, and I know that other members of the Legislature have as well, evidence from families with Down's syndrome children and children with autism, and we've heard not only from parents, but stakeholders and advocacy groups as well, who are telling us that exclusions—and I know you don't like that term; I'll use whatever term you would prefer me to use, but the parents are using the term "exclusions"—are happening with increasing frequency. Essentially, that's what this brief brought to your attention back on December 4, 2003. From reports that I have, these incidents are not decreasing. In fact, in the absence of any initiative on the part of your ministry, they continue.

I'd like your opinion as to whether you believe it's appropriate that children are excluded from schools by principals, children who are disabled, who perhaps have no control over their behaviour and are simply locked out of school without any support or without any other recourse made available to them. Do you think that's appropriate?

**Hon. Mr. Kennedy:** There's a lot in the statement you just put forward. First of all, whether or not they're indeed locked out of school without any recourse, whether or not—and "excluded" is a perfectly fine term; it just doesn't fit under the Safe Schools Act, so I don't want to be misunderstood. It's just something that's been around for much longer than the Safe Schools Act has.

I'm absolutely aware of that as a complaint. I would say two competing things. Children with special needs are also subject to discipline where their disability or their special challenge is not the root problem. Obviously, we have a large number of children who have identified behavioural issues; that's one recognized exceptionality. In those cases, we should be dealing with those students in whatever is the best way to allow them to learn. There are good techniques.

I can't say that we're complete and perfect in that regard. The principal has to make a judgment about whether there is a risk to that student, because sometimes the behaviour is a risk to the student and sometimes it's a

risk to others. An exclusion on that day is a lot better than an exclusion that is either repeated or actually taking the student out of that school. The school system does need to make a determination of where students can be best served. We support the idea that students can be integrated wherever possible, wherever it's good for that student, and the parent determination should be a key part of that. But there are also students who do better in settings that are not available, and can't possibly be made available, in each and every school.

In the general way that you put your statement, I would agree, of course, that there shouldn't be an arbitrary taking of students out of schools. But at the same time, I would put to you that there are reasons for which all students may be subject to either discipline or precautionary measures on the part of principals.

What I would say about the exclusion is that even though some would say that's always been there and it has always been principals, we're prepared to have that and to hear from folks on that when we bring forward our review of safe schools, even though it's not technically part of that act. We know of this complaint, whether from ARCH or anywhere else, and what we're looking at now as a ministry, as I shared with you on day one of these discussions, is how do we best collect that information, because it is not reported to most boards and therefore not reported to us. But we will be able to show you some information around the use of expulsions and suspensions. I wish it was complete now; it isn't. Some of the preliminary information would show that there has been some decrease in the use of this. That part of the act does ask principals to exercise their best discretion, which I would say is always incumbent on them, but there is a specific requirement for them to do so when they exercise their powers under the Safe Schools Act.

**Mr. Klees:** Minister, I want to read you a letter. I read it into the record for a purpose. I'll not read the names of the family involved or the school, but you certainly can have a copy of this letter. This is a letter that was written by a principal to the parents of a student:

"This letter provides you with written notice that pursuant to section 265(1)(m) of the Education Act and section 3(1) of the access to school premises regulation, O. Reg. 474/00, I am refusing to allow Gordon into my school, until further notice, because I have determined that his presence in the school would be detrimental to the safety and well-being of others in the school.

"Gordon's behaviour has severely deteriorated, endangering both students and staff. This must be remedied before I will allow him to return.

"If you have any questions, please let me know.

"Yours truly ..."

This child is an autistic child. This letter was received by the parents. There was no offer here to provide any further assistance. There was no suggestion that the school would provide any guidance in terms of how to deal with the circumstance. These parents were at an absolute loss in terms of where to turn next.



Minister, my question to you is, do you believe, notwithstanding perhaps the behavioural challenges here, that the school system continues to have a responsibility to this student?

**Hon. Mr. Kennedy:** In the generality of what you just related, I agree. In terms of this student, I can't tell, because I don't know what went before that letter. I don't know how many interventions were tried.

**Mr. Klees:** But, generally, you believe that there's a responsibility—

**Hon. Mr. Kennedy:** In general, we have an obligation to try everything educationally possible to accommodate students, and I believe that we're doing that. I would like to believe that the letter you just quoted was written as a last resort, after those avenues had been exhausted.

**Mr. Klees:** Minister, here's my concern. The reason I raise it in these hearings is because we are hearing—this is only one example—not that these incidences are decreasing; we're hearing that they are on the increase and that more and more schools are dealing with these issues of disabled children. Rather than providing the resources, more and more we see the incidences of these exclusions taking place, where they're simply being locked out of school.

You may or may not be aware that there are actually seminars given to principals on how to use regulation to exclude students. Are you aware of that?

**Hon. Mr. Kennedy:** Yes, I am aware of that, but I would hope that there would be seminars, because each of the powers should be used carefully. There should be seminars. There should be training. There should be careful use of these things.

I ask the member opposite, in terms of his perception or report: If we put 65% more resources into the system in the last two, now basically three, years—and that's not including the last \$55 million—if that increase has happened, if there have been 4,000 more education assistants hired, verging on thousands more teachers hired as well, why then would there not be fewer of those incidents? In other words, I'm just asking for—

**Mr. Klees:** That's precisely my point. So my next question to you—

**Hon. Mr. Kennedy:** Right. So again, I'm having a hard time wondering where you think this is arising from.

**Mr. Klees:** I think we all want the same thing, and we want to ensure that the resources that are being put in place are, in fact, getting us the desired results. That's why I'm asking the question.

So my question to you is, given the additional resources that the ministry is putting into the system, what accountability measures do you have in place to ensure that the outcomes you are looking for from these well-intended initiatives are actually there? We have evidence that there is a problem, that the incidences are not decreasing but increasing. So could you respond? What accountability mechanisms do you have in place to track where these dollars are going and the results that you're getting?

1650

**Hon. Mr. Kennedy:** What we will be doing and what we've started to do in some select instances is audit the experiences of boards and see what they are doing and what outcomes they're getting.

I would say that if you have evidence, because that's what I was trying to get to—we will be able to provide you and the public, when we start our review of the Safe Schools Act, some data in that respect. We've already talked about the difficulty of doing that for exclusions.

In essence, since coming into government—you cited December 2003—we've also been in discussions with the sector around this, and there's already been more training, more effort to try and reduce this. Our indication right now would be, through the channels that we do have and the monitoring that takes place in terms of special education reports that the boards have to file with us every year—we're now looking at the incidences of expulsions and suspensions as they impact these students, and we are now putting in place for the first time ever, through our special education reform, specific educational outcomes to see what's happening.

The question you're raising, though, I think is—if I may, because I don't want to misstate you, it seems as if you want to know whether or not powers are being not used correctly and used instead of providing educational opportunities. I think that's what you're really asking. I just want to say that we would consider those to be relatively rare cases, simply because the obligation of the principal of the special education teacher is the opposite. We wouldn't doubt that there would be some of those, in the sense that I'm aware of some taking place because we work, as a minister's office, to resolve those, working with the school boards. But our experience has been the opposite, that there have been fewer of those particular kinds of conflicts of late. They're always complicated, they're never straightforward, and they do test the boundaries of what's possible in the system. But as a generalized thing, I would invite and very much welcome the evidence that you're referring to, because right now, our indications are to the contrary, which doesn't mean we think we have enough of the measures in place; we don't. But this is a system that had zero when we started. There were no accountabilities for what got done on behalf of students, and we're now building some in.

The first of those is the audits. We're doing spot audits of different boards. We're also working co-operatively with boards who have asked us to come in and look at what they are doing, and we're establishing standards, exceptionality by exceptionality, looking at what outcome we have a reasonable right to expect with this. None of that work was done before. The dollars were provided, and it was all up to the boards.

**Mr. Klees:** Thank you, Minister. I'd like to just move on.

What concerned me yesterday in your response was that when these exclusions take place, such as we have here—you told this committee yesterday that you really aren't able to track those, because you're not notified.



My question goes to this: These schools, for each child, get \$17,000 under your new net system. If the child is no longer in the school, if no more services are being provided, what happens to that money?

**Hon. Mr. Kennedy:** The money disappears—understand, the \$17,000 is in addition to the base funding, and we audit for enrolment. Enrolment, which is quite different from outcomes, we audit for quite extensively. So boards will be financially penalized if they claim students who aren't actually on the daily roster. Those dollars will be deducted.

Again, it is an extraordinary decision for a board or a principal to take to exclude a person from a school, let alone from a system. I just want to say that that certainly would be contrary to every effort that I see being made out there. I'm not saying that they don't exist. I'm just saying that the trend should not be for those to increase. But we would not fund someone who was taken out of the school system, and on those grounds, we fund accurately to the numbers of students who are enrolled.

**Mr. Klees:** Minister, wouldn't you agree that it would be appropriate to implement a reporting mechanism for these exclusions so that the ministry knows what the frequency of these incidents is and you have a better handle, if for no other reason but to be alert to circumstances?

**Hon. Mr. Kennedy:** I'm going to put that question to the folks who are examining the safe schools review, because I want to hear more widely about the use of exclusions. Some principals don't use it at all, and some use it as a part of their repertoire. We do want to get a handle on that.

As I mentioned to you, I believe in the first exchange we had, we don't want to ask for everything to be reported. I think if we do understand—and the hearings that we're going to hold, the review we're going to do, will tell us—that this is a source of widespread concern that we can't address through the measures we've put in place, through the education of principals, through a range of things, then I would agree with you. But again, I don't hold that everything we should do is punitive, looking over the shoulders of principals, teachers or administrators. We do have to get the outcomes. Again, I would appreciate any of the letters you have, any of the others, because we are trying to understand very well the degree to which we're either succeeding to date or we can, with what we're going to hear in the review. You should take that from me not as disagreement with you, but I'm hoping there are other measures that would make that less necessary, because we are counting a lot of things right now.

We have to go to the root thing, which is, what should those exclusions be used for and when is it appropriate? What principals would tell us is that they need to be able to exercise their judgment, which I think you would want them to do as professionals looking after the whole school community. The question is whether that's a power that we really need to monitor centrally. None of this data was ever collected before. That's the process we would go through to arrive at that.

**Mr. Marchese:** Minister, just to review a couple of things: Going back to the effectiveness and equity fund, there were three criteria that I read out to you. In relation to the first criterion: how much money was returned to school boards that placed funds in their special education reserves prior to 2002-03?—you said it was \$9.8 million. Based on the deputy minister's document where he indicated that there is \$11 million available, I'm assuming that boards only applied for \$9.8 million, suggesting the difference was either rejected or they didn't apply for any more than that.

**Hon. Mr. Kennedy:** When the deputy released his document, the estimate was \$11 million, but the accurate number was \$9.8 million, so there's a slight variance between them.

**Mr. Marchese:** So the variance is based on how much boards applied for or—?

**Hon. Mr. Kennedy:** It went through an audit process, and that's what we determined. We estimated \$11 million, but it was actually closer to \$10 million—\$9.8 million.

**Mr. Marchese:** OK. Did boards apply for more than that?

**Hon. Mr. Kennedy:** No. There was no application; it's just factual. We just determined the facts, audited them to make sure that they were correct, and they got the dollars. Just for everybody's sake, these are dollars that did not come by way of the accounting that the previous government did that put the bulk of these dollars totally unusually into the accounts. These were reserves in fact that didn't come from any special education savings at all. Keep in mind that until the year before, the total reserves of the entire province were \$7 million. Then they zoomed up to \$80 million simply because of this accounting error. Some of those reserves, though, were there for other purposes, and a few in that year, unknown to us, had put them in from other surpluses that they've encountered. We didn't think it was fair to apply the policy to them. It was perfectly fair for everyone else.

**Mr. Marchese:** For the second criterion, the deputy had indicated there was \$10 million, and \$9.6 million went out, so there's obviously not much of a variance there. That's pretty close to what had been anticipated.

**Hon. Mr. Kennedy:** Yes, I think that's fair to say.

**Mr. Marchese:** On the last criterion, we need a little more information because there may be some possibly contradictory information. The deputy's March 31, 2005, memo says that there is \$62 million available for newly enrolled students in 2004-05, but you indicated that boards only applied for \$46 million.

**Hon. Mr. Kennedy:** It's not contradictory, Mr. Marchese. There was \$62 million available; they applied for \$46 million that met the criteria.

**Mr. Marchese:** So you're saying that no board received less than what they applied for?

**Hon. Mr. Kennedy:** There were criteria. Boards stated their needs in error. The criteria were met that these were net new needs that they had, the phrase the deputy

acquainted you with, and as long as they were net new needs, we paid the amount that they claimed.

**Mr. Marchese:** So whatever they requested based on the net new needs, they got.

**Hon. Mr. Kennedy:** Right.

**Mr. Marchese:** And originally, you anticipated \$62 million, but obviously—

**Hon. Mr. Kennedy:** No. The availability was \$62 million. I think we were quite comfortable that there might be less, because if you look at \$44 million, it's a 5% increase. We did a 5% increase in that year on top of a previous 65% increase. Keep in mind that within that, certain people left the system. It's not a static population of people. People will have graduated and new students will have come in. The net 5% is on top of the changes that took place, again, on top of a 65% increase.

1700

**Mr. Marchese:** Special education staff at the ministry have been informing board administrators that only \$40 million is available for newly enrolled students and that boards have applied for \$68 million. As a result, they say, you will not provide the \$17,000 per high-need student as you did in the past. Instead, you may be lowering the amount to \$12,000 or \$10,000. Is that true?

**Hon. Mr. Kennedy:** It isn't true in the sense that we are auditing now to see what are really net new needs, and until we've done that we won't know what the total allocation was. We had to make an allocation. As you can see, it's similar to last year's—\$46.4 million became \$40 million—and now we're looking to see what it will be in reality. But boards make preliminary estimates. Sometimes they're spot on and quite often they're not. We'll learn what that really is and respond accordingly.

**Mr. Marchese:** Is your ministry capping special education funding?

**Hon. Mr. Kennedy:** Clearly we haven't, because we're putting in dollars in terms of very significant continuing increases in special education. Essentially what we're doing with boards is making sure that they are meeting the criteria and then we're providing the dollars that match.

**Mr. Marchese:** What if the special education needs go beyond the amount you set aside? But presumably there is no cap. I think you said there is no cap; whatever the net new needs are, you will fund them.

**Hon. Mr. Kennedy:** All I can refer you to is what we've done. We've funded all new needs. We were presented, in-year, with \$100 million extra. We funded that. We put forward a dollar amount. You mentioned it was \$62 million. It was actually less than that was used—\$46 million. All those needs were met. I can't predict this year until the auditing is done. I'd be happy to report back to you at that time what our disposition is.

**Mr. Marchese:** My sense of what you're saying is that you will not cap funding for special education in 2005-06. Even if there are more students with special needs, you will not cap.

**Hon. Mr. Kennedy:** Mr. Marchese, I've given you my best response. We're working with the boards right

now to find out what their needs are. The interim program is meant to meet those needs. I can't predict, until I know what those needs are, what the amount will be, because I'm not sure what you refer to as a cap. Our record speaks for itself. So far, we have met all the new needs that have been presented.

**Mr. Marchese:** If I can refer you to a memorandum to directors of education from Didem Proulx, director, education finance branch, 2005. SB 28 is the document I'm referring to. At the bottom of the first page of this document, it says this:

"It is also important to note that, as stated in memorandum 2005:B5, funding for net new needs in 2005-06 is capped at \$40M. In 2005:B5, the ministry indicated that the per pupil amount for each net new student with high needs would be up to \$17,000. This amount is subject to adjustment to ensure that the total allocation will remain within the capped amount."

Could you comment on that?

**Hon. Mr. Kennedy:** I can comment on it in the sense that I don't think that's the final word of the government in terms of how this is put forward. I will get a copy and look at the entire memo in terms of what's explained, but we have worked with boards to make sure that they are meeting net new needs. We are away from the funding game in terms of trying to qualify more. We'll see where we're at in terms of the dollars that are involved. But again, \$17,000, \$12,000 or \$27,000 are all notational figures that don't necessarily relate to the cost of needs. So we will have to see what we're doing in terms of meeting those new needs. All I can say, in terms of what you've read to me from Ms. Proulx's letter, is that it wouldn't be our final answer.

**Mr. Marchese:** When the director, Didem Proulx, says this, is either Nancy Naylor or the deputy minister, Ben Levin, familiar with this memo?

**Hon. Mr. Kennedy:** I think we're trying to get a copy of it so that we can answer you in context—

**Mr. Marchese:** I could just give it to you and you could give it back; that would be great.

**The Chair:** Mr. Marchese, let the clerk do his job or we'll hear from the union.

**Mr. Marchese:** I'm just trying to help.

**The Chair:** I know you are; I'm only kidding.

**Hon. Mr. Kennedy:** It lays out the claims process and the audit process that boards are looking forward to. You have quoted from it accurately, but I have to say it isn't accurate in terms of being the final word in what we would do. I'm not sure—

**Mr. Marchese:** Sorry, Gerard, I can't hear you very well. Are you saying it is accurate or it isn't accurate?

**Hon. Mr. Kennedy:** I'm saying that what you've read is accurate. I'm reading this memo, which is a technical memo sent to senior business officials. What I would say about it is that we are not artificially limiting the dollars that are available. We have set a number, and we're working with the boards on it. I think very highly of the person who wrote that memo; she's a terrific person working in the ministry. But that wouldn't be the inter-



pretation I would want to rest with boards in terms of how we're going to reconcile this year. We are trying now to understand where boards are. Based on what you've put in front of me, that's something I will probably end up putting out a correction for in terms of interpretation.

**Mr. Marchese:** I have another document from 2005. It's B5: Memorandum to directors of education and secretary-treasurers of school authorities, from Nancy Naylor, the assistant deputy. It's page 15 of 23. It says, "This funding for net new needs will be capped at \$40 million and distributed based on each board's share of demonstrated net new needs. The per pupil amount for each student with high needs has been set, on a preliminary basis, at \$17,000. This per pupil amount may be adjusted to ensure that the total allocation remains within available funding."

We've got the assistant deputy minister and Monsieur Proulx, both people you're obviously—

**Hon. Mr. Kennedy:** It's Madame Proulx.

**Mr. Marchese:** Madame Proulx? My apologies. We've got two people you obviously respect saying that this amount will be capped, and you're saying that's not true, nothing has been—

**Hon. Mr. Kennedy:** My understanding, and the direction I'll make clear to the boards, is that what should take place is a careful netting out of their new needs and that we will meet all reasonable needs presented that way, as we did the year before. I will take responsibility for a gap in communication with senior officials.

Essentially, boards have seen us meet these needs. I have talked to individual boards about their requirements. Again, we're trying to provide the best interim system that we can, and we have a track record of meeting the needs that are presented on behalf of students in the system.

**Mr. Marchese:** Can I anticipate, Minister, based on what you said and based on the memorandums we have seen issued to directors, that we'll be seeing some new language?

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** We have a commitment from you?

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** Is it possible to get a copy when you do that?

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** You understand, we really have to dig to get this stuff.

**Hon. Mr. Kennedy:** You do?

**Mr. Marchese:** We do. It's hard.

**Hon. Mr. Kennedy:** You won't have to for the next one.

**Mr. Marchese:** Things are transparent if you can get hold of items—if you can get hold of them. It's murky; you might appreciate that.

I'm happy to hear that you will be issuing a correction and that, I'm assuming, there was no discussion between Madame Naylor and yourself about this capping, or with the deputy; they made this decision on their own, and

nothing to do with any discussion you might have had with them. Is that correct?

**Hon. Mr. Kennedy:** I will take responsibility for anything that was sent to boards and that relates to our policy. There may have been some subtle differences in terms of understanding how our management of this would work. I can tell you that is not our intent. I may have inadequately conveyed that to ministry staff, and I will make up for that shortcoming in the way I just described.

1710

**Mr. Marchese:** So \$83 million was taken away from the boards, and what we hear is that none of the EEF funding has flowed yet, despite the claim you make that they have the money.

**Hon. Mr. Kennedy:** The 2004-05 money, all the numbers you went through—we actually have them written down, and we're going to hand them to you; I know you want to get them right—are accurate, and that money has flowed to boards. The numbers for this year, as we've spent a little bit of time discussing, are being audited and worked through, and when they're finalized, then the money will flow. That's what anyone who's saying that it hasn't is referring to.

I would note that in addition to the dollars we disbursed directly to boards, we have also put \$25 million in a separate special fund that boards can apply to for putting into place the special education reforms. That's with the council of directors in education and it is also there now being applied to by boards and will be disbursed with an additional \$25 million, because any change, any improvement, has to be funded. You can't just ask boards and schools to do that with existing resources. That's an additional amount of dollars that we're putting forward.

I'm not quite sure—I guess what you mean is that the remainder of the fund and the additional dollars we're putting forward are still to be flowed this year, but it's because we are paying for actual costs and we have to determine what the costs are.

**Mr. Marchese:** No, I was actually speaking to the money you had approved and whether or not it had flowed. You're saying it flowed, and we hear that it hasn't. I'm not only talking about the difference; I'm talking about—

**Hon. Mr. Kennedy:** I'd be happy if you would table, or, if you don't want to take the time, just send us the information you referred to. But the 2004-05 numbers that we just discussed were worked out already with boards and, therefore, the appropriate allocations have already been made. I don't believe there are any exceptions to that. I'd be happy to learn about them.

**Mr. Marchese:** We'll have to get that information and send it to you so that you know.

**The Chair:** You have one minute, Mr. Marchese.

**Mr. Marchese:** We'll go around to the next turn with other questions, thank you. I'd rather not start with new questions at this time.



**Hon. Mr. Kennedy:** I'm going to prevail on my colleagues for a two-minute break, if that's all right, Mr. Chair.

**The Chair:** Not a problem.

*The committee recessed from 1712 to 1715.*

**Mr. Arthurs:** Mr. Chair, it's great to have the minister here again, and to have the opportunity for our caucus in rotation. Mr. Leal took the opportunity to advise that he had members of his family in the primary system. For the record and for Hansard, I think we should congratulate the member on his daughter's sixth birthday today. That's something for Hansard.

It's also my opportunity, because not only does the member Mr. Leal have family—

**The Chair:** I'm going to interrupt you, because I insist that Mr. Milloy be given another moment to put on the record his pride in his new addition. Hopefully the system will be ready for his child in four years.

Please proceed, Mr. Arthurs.

**Mr. Arthurs:** Not only does Mr. Leal have family members in the system; it's my opportunity to let folks know as well that my wife, Susan, has been one of those fine grade 1 teachers in the elementary system for a great number of years at Maple Ridge Public School in Pickering. That's also in Hansard, so now I can give her a copy and show that sometime during my time here I acknowledged that she's there behind me.

I really have three areas of questioning for the minister at this point, subject to the time we have available. The first is on mentoring programs for new teachers. Both having been in the system some considerable number of years ago, and obviously being engaged, not only through family but also through other kinds of activities, with the education system, we're well aware of the dropout rate of new teachers: a large investment on their part in getting through university and a large investment on the part of the public in supporting the university system and teacher training, and yet in those very first years we're losing a great number of potentially very good teachers who I think leave the system, in the main, for lack of support, abandoned in the classroom in the first year with 20 or 25 or 30 kids, depending on the nature of the program they're in, with very little ongoing support during that period of time and with the challenges that come with managing large groups of children.

I'm wondering, Minister, if you can provide some additional insights into the nature of the mentoring programs that are being proposed and that are being put in place currently.

**Hon. Mr. Kennedy:** We actually started last year with a set of pilot programs around the province that showed really good signs of promise and success in terms of matching up, and having the time to match up, an experienced teacher as a mentor of a new teacher, a beginning teacher. We did that in a variety of ways, letting boards show us the different techniques they had. Some of them were doing it on their own, without direct support, and this made it a much more involved program.

This year we're including, as part of our new teacher induction program, a \$15-million effort to make sure that every teacher gets a second professional step. So they go to university, and now they get support in their first year of actual, on-the-job classroom practice. They get that in a variety of ways, but one of the chief ways is a mentor. The mentor will be somebody they can spend time with in their class, the mentor reciprocally observing the new teacher, picking up some of the challenges, classroom management being one of them. The number of children is coming down in a variety of parts of the system, but it's still one of the things that new teachers find the most challenging. They're not observing any more; they're actually in charge of the class. That's one of the key aspects we're going to bring through. Increased professional development is another component of the induction program, but we also think that the mentoring will be very key.

1720

It's a structured program. It involves two evaluations by principals to make sure that the development is taking place and to provide still further support. We think the right approach to take is that of any endeavour, which is to support your new employees. We're all better off; we save money. The cost to students is very appropriate to bring up. The cost to the system was \$30 million a year when the loss rate was one in three new teachers in five years. That's \$30 million each and every year that we were losing. With half of that amount, we think we will be able to maintain a much greater number, and we're paying for that in part by replacing what used to be there as a kind of nominal test—it was passed by 98% of the people who wrote it—that pen-and-paper test, coming out of university. Instead, we have again this emphasis on the on-the-job part, which is what most studies show will be most successful and what most students say they want: access to that person who can have the time to answer their questions.

We want to give credit to the system and the teachers out there. There's a lot of informal mentoring that happened, but there was a lot of time taken up in everyone's day, and it decreased that, and the quality of teaching, of course, is what ultimately benefits. If new teachers do well, learn better, learn more quickly and feel more confident, the students are the beneficiaries. So we think this is a good, smart program. This is being phased in, even as this semester is underway. It will be fully in place this year and expanded next September.

**Mr. Arthurs:** That's encouraging—not only, obviously, the continuation, but to the extent you can, extending the program beyond the first year. There's certainly a very sharp learning curve that goes on during that first year, and with the stabilization of the teaching experience, the level of expertise can be enhanced if there are opportunities to continue a program of that nature, even through a second and potentially a third—

**Hon. Mr. Kennedy:** It's a good point. We are going to be evaluating this program to see how it works, and the mentorship certainly could, and perhaps should,

continue. We haven't yet made that formal commitment, but we have a subset of the partnership table, which is a working table that brings together the best experts we have—not just teachers, but principals, school board officials, parents and so on. They look at the overall teacher development—what we should do in year 2, and indeed what we should be doing in year 20—to make sure that we're supporting teachers, having access to the best information, the best techniques and the best motivation possible. That's when we get the best education, when we make sure that they unlock their potential. It's critical at the beginning. Before, "stutter step" meant we lost quite a few. It's also important in the second year and in these other parts of a teacher's development.

**Mr. Arthurs:** The programming, either formally in class or less formally through apprenticeship or training programs, to 18: I would be interested in hearing of some of the options or examples of the types of programming that are currently in place, being enhanced or being considered for that group of students who find the traditional programming not appropriate for their learning styles, and the value, as you see it, to the student and to the community that the student engages in, and potentially, where many of these students will be in employment earlier than other students, the value you see to the employer.

**Hon. Mr. Kennedy:** It's what we're competing with, first of all. Almost 40% of the male students who leave—the dropout rate is more acute for male students than for female students—leave because of the lure of work. The companion, and somewhat greater, reason is because they aren't doing well in school. So we're trying to combine both of those challenges that we have: how to be more attractive than that job that ultimately—it doesn't seem like a dead-end job when you're first out there and earning money—isn't going to bring that young adult very far.

One way to do that is to increase the exposure to the workplace that happens in schools, and not just for students who are struggling, or could begin to struggle, but for all students. So we've brought in a co-op program, for example, for the first time in grade 10 that engages the students at that level. We've also invested in some of the things that need to be on-site in school in order to send students out to the workplace. So technical programs have had a \$45-million investment last year; \$12 million the year before—a total of \$57 million that we've put in. It's the first time, I gather, since the early 1990s that there's been any money put in for technical equipment. That means that some of the traditional trades and also some interesting new trades can be tried out in the schools. I'm getting letter after letter from teachers and students. I've been in some of these classes and talked to some of the students. It's happened to me twice, where a student has walked up to me, not asked by anybody, not set up by anybody, just to say thank you; in fact, in both cases quite quietly on the side, to say, "I wouldn't have stayed in school if you didn't have this

hands-on learning. I'm good at this. I can do this. I'm earning some credit for a community college because I'm visiting there every second week. That's the kind of thing I can now see myself doing."

It's very concrete. It is about learning, though. It is an appropriate job for our high schools to do. That person who decided to keep learning because of the construction course—this was one in North Bay, for example, another one in Ottawa—might go on and switch over and become university-educated.

The point is that we've been burning students out in terms of learning altogether. They'll be better employed. About 33% of students who don't get a high school diploma are unemployed. That's double the rate for those with just a high school diploma. Ultimately, their earnings are 70% less if they don't get a high school diploma. So there's a lot at stake in terms of how we handle that. Therefore, we're making what we think is a reasonable and smart investment to make things happen there: 1,300 new teachers in school this fall, two thirds of which are focused on students who could be struggling.

More positively, we see student success more broadly defined as not just university, but college, an apprenticeship or a workplace with training being equally good outcomes for students. We want every student and every parent to be as ambitious as possible, but we're simply not being respectful of students when we say, "There is only one narrow chute for you to go through in the time that you're 14 to 18." Instead, you might benefit from going a different way. We all know that kids could train or learn many times in their lifetime; getting it right at least in one way the first time is a key to whether they're going to keep learning further on. Again, that's going to be part of something we're going to expand, but those are things we're already doing right now, among a number of things.

This increased dropout rate I think is one of the biggest problems we have. It's a threat to the students and to our economy because it weakens the number of people we have available. I'm glad to report that we're already seeing a change. There's already a four-point improvement in the number of students that are succeeding. Our four-year graduation rate was as low as 56%, it's now up to 60%, and we intend for it to climb from there. There is such a gap between someone who can get that meaningful outcome and their diploma and those who can't.

**Mr. Arthurs:** The third area of questions that I have for the day, anyway, deals with the reintroduction or enhancement of areas that over the past number of years have been considered as auxiliary to education. There has been a concentration on math or literacy, but to the detriment of things like physical activity, music, art or, in the secondary system, providing guidance to students in career planning or the support that comes with that.

I'm particularly interested in those, in part because I was one of those kids at school who couldn't sit in the classroom very effectively. I ended up in education personally, and ended up in the gym for a number of



years as a teacher and guidance counsellor. So it's close to my heart, the need and the value that comes to students in those kinds of exposures and experiences. I'd be interested in hearing some further comments on the initiatives and successes that are being achieved to date on those fronts.

**Hon. Mr. Kennedy:** As a system, we're challenged. Some boards have made pretty heroic efforts and maintained a good amount of physical education and activity, but it has basically lost out to a more singular focus. Ironically, all the time that there was a de-emphasis on physical education, we didn't get better at literacy or numeracy. Now, in fact, when we're putting physical education back to the forefront—we've hired 600 new specialist teachers and are on the way to 2,000 new specialist teachers; we have daily physical activity, which is making sure that there is 20 to 60 minutes worth of phys. ed. or daily physical activity that can be conducted by the classroom teacher every single day—it's cultivating that interest and that engagement in sports, in games, in a whole range of things that, I agree, are a way to keep kids attached to school.

We have made that move in the elementary, and we're now looking at how we can do the same thing in the secondary panel, where it's trickier, where it's the number of credits that have to be earned and how we go about that. We're about to engage students in what the best way is to make sure they are maintaining their interest in sports, maintaining their interest in just physical activation, which is I think what all their parents would like for them.

We'd certainly like to think—some of us may not think we're the best examples, but there's a time when you're a youth to be developing yourself. We think the schools should take it on as emotional, intellectual and physical development that is part of education, and that they do better in their intellectual and their emotional development when their physical development is also in front of them. There are good studies in that regard, and it's certainly what we believe will be the impact of the new programs we've brought in.

**Mr. Arthurs:** Thank you, Minister.

**The Chair:** Mr. Milloy, two minutes.

**Mr. John Milloy (Kitchener Centre):** I'll ask a very quick question, then, with two minutes. I was going to ask about another subject, but we can come back to it later.

On capping, it was interesting. One of the questions that I get asked the most is from parents whose children are in grades 2 or 3 and are then moving on to the junior grades. They're very appreciative of what's happening with the capping, and they're wondering about the extension to the junior years, particularly grades 4 and 5. My answer obviously starts with, "We better get JK to grade 3 done first." Just your longer-term thoughts—I realize it would be a longer-term initiative.

1730

**Hon. Mr. Kennedy:** It would be a long-term consideration. We're certainly following through and

looking at the difference that it makes from JK to grade 3. It's where the best evidence is internationally on positive impacts. It can't be done in isolation either; it needs to be done with the training of teachers and so on, which we're doing. There may be value.

What I should say to parents with kids in 4 to 8 is that by taking the pressure off, by funding smaller classes in JK to 3, we are actually having the impact of reducing some 4 to 8 classes in schools too, because some principals and teachers made them artificially larger to accommodate smaller class sizes before we began our initiative. As we fully pay for that, that will actually have a positive effect on 4 to 8. But a commitment to cap 4 to 8, I think, is still ahead of us. We're going to understand how well JK to 3 would work.

I will say that for other students out there, we have put some class size limits in place, or supported them being put in place by boards, for the first time in high schools because there simply seems to be a need for that, particularly for students taking certain subjects. We'll see also how well that works out.

The short run is that it's hopeful for the children in 4 to 8. Many of them will see some of their class sizes come down because they won't be subsidizing, if you like, the lower grades. We will then take a serious look at what the implications are for 4 to 8, in terms of a real, full program by the government, but I can't make that commitment today.

**Mr. Milloy:** Just really quickly, to put it on the record: We are monitoring the capping to make sure that it's not being done in a way that's affecting other grades, because I hear that concern all the time.

**Hon. Mr. Kennedy:** Absolutely. In fact, on our Web site you'll be able to see for yourself that 4 to 8 classes are not going up. As I say, it's quite the opposite; they're actually coming down in a number of cases because of the impact of lowering JK to 3. So that's not the design, and in fact we're making sure that that doesn't take place. It's an undertaking we have to get from the boards. To be eligible for funding, they have to apply in the correct fashion. It is a concern that people have, but it is something that I think will be very plain and clear to them as we implement the program. As we put up the Web site, they can even visit the other schools and see that it is a clear benefit, with no downsides for other grades. In fact, there are some upsides.

**The Chair:** Mr. Klees.

**Mr. Klees:** Minister, you asked for help with some evidence in terms of some of the practices that are going on in the school system that affect high-needs students, special-needs students. I'm going to read into the record another letter here. This, plus other letters that we have, have all gone to you at your ministry. So if you're not familiar with all of these appeals, then I would ask you to perhaps ask your staff to do a search of your records and have a look at this.

This letter is from Oakdale Child and Family Service. It is addressed to you. It reads as follows:

"I am writing to you in a matter of great concern.



"Oakdale is a residential facility with houses in Toronto, Barrie and Stouffville. Our residents are autistic, with various degrees of developmental challenges and behaviour disorders.

"As we are servicing these clients for over 30 years, we are very involved with their education as they are also students of the public school system....

"We have voiced our concerns with regards to suspensions and exclusions to the school boards, principals and teachers, but we have been told that the school's emphasis is on education.

"Since they are special-needs students we have to stress that education and learning will be achieved with the use of behaviour management techniques and positive reinforcements....

"This letter is written to you with an appeal to intervene in a school system which is punitive and unresponsive.

"On behalf of the developmentally challenged population I make you aware of their situation. They need help and I trust that with your attention to the above they will have opportunities in an environment where they are treated with the respect they deserve."

It's signed, "L. Bache, Administrator."

I share that with members of the committee because, having listened to you, Minister, in terms of the additional resources you're committing to special needs, I'm sure that you were not aware of the frequency with which these exclusions that are again referred to here are taking place.

So if you would undertake to give this area your special attention, as Ms. Bache has asked you to do, as minister, to look into this, to ensure that our school system is not discriminating against these students with special needs but that the resources you've dedicated to them are giving us the desired outcomes, I think all of us would be encouraged by that commitment.

**Hon. Mr. Kennedy:** Sure. I believe I indicated that earlier. We recognize that there are issues. I think what we were talking about was whether there was—and if they're letters that we have, then there's no need to provide them. But we track those very carefully, and we've seen a downward trend in terms of that taking place.

That's not satisfactory in the sense that we want to make sure the only exclusions or any other administrative authorities that are used are those that are absolutely necessary and there won't be a denial of education. I make that commitment to you.

As I think I said earlier—I'll state it more plainly just to be sure—we are including exclusions as part of what we're looking at under the Safe Schools Act review, even though technically it's not part of that, simply because we have a concern, expressed by Oakdale and other groups, that fairness isn't there. As I think Mr. Marchese or someone else asked earlier, fairness is one of the issues we're going to be looking at in terms of the application of these administrative powers we have. They're in place to protect. As you, I think quite fairly, read out for the record, it was expressed that there is a

need for the safety of the general student population. Those judgments have to be made, but we would not condone that being used as a kind of excuse not to educate someone who had a chance of being educated, perhaps in a different setting, perhaps with different support. Those are the kinds of things we'll be pursuing in tandem with the other things in the Safe Schools Act.

**Mr. Klees:** Thank you, Minister. With regard to situations where parents find themselves being dealt with in a way that they feel is unfair, what is the practice of your ministry in terms of accommodating their appeals, in terms of ensuring that you, as minister, have all of the facts? Teachers and principals often are under stress, and the minister is perhaps sometimes the last place of appeal that parents in the province feel they have. At the end of the day, you're responsible for education in the province. When you get these letters, these appeals from parents, how do you deal with them?

**Hon. Mr. Kennedy:** Obviously, we want the system to work where those students are. So we try to ensure, if possible, if it hasn't been tried, the local response—if it's a principal's decision that parents aren't happy with, that they're talking to the superintendent; if it's a special education decision, that they're talking to the local special education advisory committee of the board where appeals can go to. There's also a specific appeal system for formal special education decisions that parents can pursue.

But what we do with, I would say, most letters is to try to make sure that there's a positive consideration given to them. The role of trustees, the role of local education officials, should be utilized first. The Minister of Education, whether it's me or anyone else, isn't running the schools; the school boards are. But we do agree with the statement that ultimately the minister is responsible very directly for, particularly, students with special needs. So our field offices work, largely collaboratively and with a good degree of success, with local school boards to ensure that when dynamics, misunderstandings or other things take place, we can be of assistance.

Our goal here, of course, is not to have a secondary system but to make the primary system work to the best extent it can. That's why special needs has been high on our list for reform and is something we've spent a lot of time working at. I think we're making good progress toward the kind of change that will make, again, the implied complaint you're talking about less of a problem.

1740

**Mr. Klees:** Minister, is it a policy of your office that in any case where there is perhaps a request from FOI, that the minute there is a request made on a particular file for information, your office refuses to deal with it?

**Hon. Mr. Kennedy:** As I think you know, Mr. Klees, the FOI process is a legislated process. It's an obligation of every ministry. I'm not involved in it. The deputy or assistant deputy could describe how we handle FOI. It is not handled by the minister.

**Mr. Klees:** I understand that. What I'm asking is, if in fact there is an FOI process going on somewhere on a file

but someone appeals to you or writes you and wants to bring something to your attention, is it policy in your office that, just because there is an FOI registered on that file, you would refuse to deal with it or respond to it as minister?

**The Chair:** Outside of the FOI, I think is what he's speaking of.

**Hon. Mr. Kennedy:** There's no policy in that regard that I know of. There are rules around FOI that require me not to be involved with the FOI component of things.

**Mr. Klees:** But nothing precludes you from dealing with a file outside of the FOI process.

**Hon. Mr. Kennedy:** There was a member of the public who was observing these hearings yesterday who put it to me that a circumstance has happened where they were told, not by our ministry but by some other office in the government, that that precluded their being assisted. We are looking into that. Unfortunately, I don't have a determination right now except to tell you, as a direct answer to your question, no, there isn't a policy of that nature that I would think applies. The only thing that could would be the rules to FOI, but I can't see those being the rules.

**Mr. Klees:** OK. Perhaps this to the deputy, if you don't have the answer for this. The same question relates to a file that may be under appeal to the Human Rights Tribunal. If a parent wanted to bring a case or has a question for the minister, and there is an appeal to the Human Rights Tribunal of Ontario, is it policy, then, that the minister would not respond to correspondence on that file?

**Hon. Mr. Kennedy:** I think I can answer that. A quasi-judicial tribunal we would take differently. That is something we do have to respect and cannot be involved in. So if it's the exact facts, the exact case that's going to the Human Rights Commission, I think I have restrictions there. I would certainly be very careful on my own in that regard.

Deputy, is there anything you can add there?

**Mr. Levin:** We would certainly be seeking the advice of our legal staff to determine what the appropriate response was and whether we were able to, or whether the fact that there was a judicial or quasi-judicial proceeding prevented us from taking whatever action had been requested. It would probably depend on the facts of the case.

**Mr. Klees:** Thank you. Thank you, Minister.

Mr. Parsons earlier made reference to the fact that he's pleased to see that ISA is a thing of the past. I think he raised some important issues in terms of the intimidation of parents, perhaps, and some of the pressures that parents were under to ensure that funding was available.

I'm hearing the same thing about the IPRCs: recurring appeals from parents who feel that they were railroaded into signing agreements for the identification, or who felt intimidation at the time, or that it was effectively a fait accompli. When they come before the committee, there is a sense that they are being corralled or forced into certain decisions. Are you aware of that kind of intimidation taking place?

**Hon. Mr. Kennedy:** I have to say I don't think that there is a pattern of that kind at all. I'm aware of that kind of complaint, and I'm aware of that kind of feeling on the part of parents. The IPRC—

**Mr. Klees:** So you are or are not aware?

**Hon. Mr. Kennedy:** You're asking me whether I'm aware of it; is that kind of intimidation taking place? In isolated instances, it could be taking place. We would want for that not to be taking place in any instance.

The IPRC itself is somewhat successful because parents do have a formal right of appeal there and are able to take it somewhere else if they're unsatisfied. I think it's part of our special education reforms to understand—as I mentioned, I think to Mr. Parsons and others—that the existing system can be improved upon. We don't need to add extra layers; just make it better, and everywhere in that is making sure that there is some well-trained person able to take responsibility for making a good decision, in consultation with parents. The IPRC requires the parents' approval, so I take your point. You're saying that parents feel that they have to give the approval, that they don't really have adequate choice. That's something we'll need to look at as part of the reform, as the parents' role in this is very, very important.

**Mr. Klees:** Minister, that's really my question. That's what I was leading to. In terms of this reform, do you have a specific plan to address this communication issue? Are there some allocations within your ministry, some resources that you're planning on putting in place, to ensure that this communication and this process is looked at and improved?

**Hon. Mr. Kennedy:** I'm going a little ahead of the process, but I would say yes, because I know it's already part of what the reform group is very much looking at. That whole interface with parents has to be improved.

It would be my goal as minister to make it less legalistic. I think every member must have seen, at least once, a case that's gotten really tied up in either quasi-judicial or actual court hearings and knows that the frustration of parents in those instances knows no bounds. We've got to have better ways of dealing with that. I think it's a system that cries for more mediation, for better ways of working things out. We will have something to say about that when the reform is done.

**The Chair:** Thank you very much, Minister. These are shortened to 13-minute cycles because we are going to have to go to the House for a vote. I wanted to make sure that Mr. Marchese got equal time here. But we will have to adjourn at five to 6.

**Mr. Marchese:** Minister, in your previous answers you said that an extra \$100 million of special education money was given every year, over and above the EEF. Can you provide to us a board-by-board breakdown of how that money was allocated?

**Hon. Mr. Kennedy:** Sure. We'll be able to give you this year's allocation, for example, which shows exactly where that went. The actual financial transaction netted out the money that the boards had. So when we say that money flowed or whatever, effectively it did.



What also has to be looked at for last year is the amount of money spent by boards. The amount of money spent by boards went up in every case. Sometimes it came from their retained dollars from their own reserves and sometimes it came from money that we spent. But you'll see this year, for example, every single bit of those dollars allocated directly from us to boards.

What that means, Mr. Marchese, is that we've allocated it, for now, three years in a row. We've paid the \$100 million for three years in a row.

**Mr. Marchese:** So we will be able to see that extra \$100 million every year that you're putting in, by whatever mechanism you are giving that money. We'll be able to know that. Is that correct?

**Hon. Mr. Kennedy:** It's apparent now on the Web site, with the allocations, but we're happy to circulate that for you and for other members of the committee.

**Mr. Marchese:** On the capital expenditures, can you tell us how much money allocated under the stage one initiative of Good Places to Learn has actually flowed, or how many projects have already started?

**Hon. Mr. Kennedy:** I can momentarily get you an update. The last number I was aware of was around \$450 million or \$500 million. We're expecting all \$1 billion to be utilized by boards, but they're in different stages of their funding.

I should say as well that we are innovating some new ways of financing our capital. We're looking at some savings in terms of the financing costs of a variety of initiatives, but we expect, this year, about \$1 billion worth of board activity to take place. It has all been allocated to them, and it's up to the boards to get the projects done, get the best prices and do the things. This is more dollars they've had for repairs this year than they've had for the last 10.

**Mr. Marchese:** So you're committed to capital improvements worth \$1 billion in stage one. Do you know how many of these capital improvements have begun?

**Hon. Mr. Kennedy:** Again, I can assure you that there is at least \$450 million. I need to get an updated number—I'm not sure when that's available from the boards. Your question, I think, said "allocated." We've allocated all of the money; the confirmed amount is about that much.

**Mr. Marchese:** OK. I recall you saying in previous discussions that you would only give the money once the project was started. Is that correct?

**Hon. Mr. Kennedy:** In this case, all we need is confirmation that the board has the plans. What we said about it at the start is that the previous government supplied about \$109 million to boards that didn't build anything, that didn't create the additions; we will only now pay for pretty close to a shovel in the ground. When the money is actually required, we will send it to the school boards. That is for new pupil places. We created a streamlined administration for Good Places to Learn because we have an audited process where we're following up on it. They get the money as soon as they indicate that they have the plans in place. They don't

have to have permissions or drawings and the kinds of things that are necessary for schools and additions.

**Mr. Marchese:** How much of that \$75 million has been transferred to school boards to address the urgent and high-priority needs under Good Places to Learn?

**Hon. Mr. Kennedy:** I would again have to check to give you an up-to-date number there. What I would say about it is that the costs will be less than \$75 million this year simply because we're using short-term financing, but the annualized costs will be \$75 million to support the \$1 billion. For example, we expect that the ongoing financing costs will be at least 4%, 4.5%, maybe even 5%, and the funding that we arrange for boards is about 2.7%, 2.8%, so that savings will be reflected in the amount of money it costs us this year. We're using a number of innovations. How we're paying for this is by better, tighter-managed financing.

**Mr. Marchese:** Would you be able to give us these numbers before we come back in two weeks?

**Hon. Mr. Kennedy:** Depending on what you're looking for, Mr. Marchese, I can give you the interim number that supports the \$400 million, or I can find out when we'll have an update to say, "Here's another so many hundred million and here's how much we're putting forward."

**Mr. Marchese:** Whatever you've got would be helpful.

**Hon. Mr. Kennedy:** In that vein, Mr. Chair, I have information on questions that was inadvertently not filed. I have them here and available for committee members and can distribute them now, if you like, or we can bring them back next time.

**The Chair:** The clerk will manage that part of the process. Thank you, Minister.

**Hon. Mr. Kennedy:** I wanted to have that on the record, as it was raised last time.

**The Chair:** About another minute or so, Mr. Marchese.

**Mr. Marchese:** Minister, can you provide us with a board-by-board list of your spending under the stage one initiative?

**Hon. Mr. Kennedy:** Isn't that the question you just asked?

**Mr. Marchese:** It's just board by board.

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** That's good; thanks. Can you also provide us a list of expenditures per school for the stage one initiative?

**Hon. Mr. Kennedy:** Yes, we can. We're getting a lot of detail. I should say that there is a school-by-school, project-by-project database that we have now, so this is an area we have pretty good information on.

**Mr. Marchese:** We'll come back then. Do I get some of this time back from the next round?

**The Chair:** Of course you do, Mr. Marchese. Did I ever let you down?

This committee stands adjourned until Tuesday, November 15, immediately following routine proceedings.

*The committee adjourned at 1752.*











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# Official Report of Debates (Hansard)

Tuesday 15 November 2005

# Journal des débats (Hansard)

Mardi 15 novembre 2005

Standing committee on  
estimates

Ministry of Education

Comité permanent des  
budgets des dépenses

Ministère de l'Éducation

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 15 November 2005

Mardi 15 novembre 2005

*The committee met at 1558 in room 151.*

## MINISTRY OF EDUCATION

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates. I'm very pleased to welcome the Minister of Education, Gerard Kennedy. It's our intention to complete our estimates on education today and have our votes a few moments before 6 o'clock.

When last in the rotation, Mr. Marchese had seven minutes left. I wanted to make sure that I honoured that for you, Rosario. So we're in your hands.

**Mr. Rosario Marchese (Trinity-Spadina):** Thank you.

**The Chair:** Pardon me. Before I do that: Minister, do you have any additional information that your staff came prepared with with respect to any of the questions that you could circulate at this point?

**Hon. Gerard Kennedy (Minister of Education):** I don't think so, Mr. Chair. There is other information coming. It may come today before we're done.

**The Chair:** Thank you very much. Mr. Marchese, we're in your hands.

**Mr. Marchese:** Welcome, Minister and staff, back to this committee. The last time we met in estimates I asked you to supply us with a board-by-board list of your spending on the capital expenditures under the stage one initiative, and you agreed. Can you also provide us a list of expenditures per school for this stage one initiative?

**Hon. Mr. Kennedy:** I believe that we will be able to do that. It is the choice of the board. I think I explained last time. We gave kind of a quick-start approval to boards. They had to give us assurances that they had plans. We didn't have to go through their detailed plans in advance because we already knew which specific schools and which specific projects, called "events," things that were wrong in the buildings, needed to be fixed. They just had to pick from a list. As long as they were using that list of high and urgent needs, they could go ahead. But we do get a report, when it is spent, of what they are doing. Because the year is just underway, I'd have to check to see if we have the schools'—we certainly have the boards' allocations.

**Mr. Marchese:** Right. OK. I'm assuming you will have the list of schools as well. So, if you have it—

**Hon. Mr. Kennedy:** All I can give you right now—again, the answer to the question is, yes, we will have,

but we don't have at this moment, because the projects are still ongoing and some schools in fact are still lining up some of their projects.

**Mr. Marchese:** I recall that you said that \$450 million or so probably has been allocated.

**Hon. Mr. Kennedy:** I believe that is the amount that was allocated earlier.

**Mr. Marchese:** Right. And that would have gone to boards and presumably a lot of the schools.

**Hon. Mr. Kennedy:** As you know, we fund each of the boards, and the boards are then addressing the projects in the schools. We do have a list available—it's on our Web site; we also have it here today—of needs by school and so on, but I think you're asking for how much was spent at each specific school site.

**Mr. Marchese:** That's right.

**Hon. Mr. Kennedy:** That, I believe, will be available either later in the year as a plan or at the end of the year as a confirmation of the money that was spent. The other specific board-by-board allocations so far, we can get for you.

**Mr. Marchese:** When it does become available, would you please send us that information? Yes?

**Hon. Mr. Kennedy:** Yes, certainly.

**Mr. Marchese:** Thank you. How long will boards have to wait to receive the remaining \$3 billion for repairs and renewal? Just as a reminder, Minister, remember that these needs were identified as far back as 2003. The question is, what timetable does the government have for the repair of crumbling schools, given that so many of these kids are still in them?

**Hon. Mr. Kennedy:** I think you'd agree, Mr. Marchese, that this is a very aggressive timetable. Some of the studies were still being finished in 2004 for some of the schools. There were more repairs being done in the last 18 months than were done in the last 10 years. Boards have got their first \$1 billion worth of general authorization. Specific projects are being approved, and boards are submitting. It was a little too much for boards to handle in some areas of the province, to be able to do that much. It was approximately four to five times as much as they would have in an ordinary year, and sometimes even more than that. We did put a very strong stricture on boards: This has to be money well spent. There are still boards being eligible for this year for the first \$1 billion. On December 16 of this year, boards will submit a capital plan. In the capital plan, they will indi-

cate their intent for the next \$1 billion worth of repairs; also for approximately \$780 million—almost \$1 billion—for replacement of schools; about 120 schools being replaced.

There is also an additional \$1 billion that we're trying to help boards to spend, to do with new needs. I'll ask the assistant deputy to give me a number for how much we're supporting this year for things like student success, class size and so on. I know we're supporting it with \$36 million per year, but the actual amount of entitlement that that provides, I'd have to get for you.

In other words, that is available this year. We're doing that on a board-by-board basis. The other money will be approved after the capital plans are filed on December 16. I can't tell you when the first of those would be approved. We'd hope to turn them around fairly quickly, early in the new year.

**Mr. Marchese:** Because the 2003 plan was very detailed and all the boards listed all of their total renewal needs, as I'm looking at it—the summary of annual allocations—it all amounted to \$4.5 billion. The study that was done in 2003 seems pretty detailed. Do you agree that's detailed, or do we still need some studies, as you indicated?

**Hon. Mr. Kennedy:** No, no studies are being done. The list that you have in front of you, I believe, is a projection. It includes five years' worth of needs. It says what things were like in 2003, what the needs are in 2004, right out to 2006-07—what is anticipated to be needed. What we're funding is the needs that exist today, and in that list you have there's a subset called high and urgent needs. So, for example, that would have a roof replaced before you paved a parking lot, and so on. So there's a hierarchy established by the company that did this. This was a company authorized under the previous government. It assessed every building. Indeed, it's detailed. It comes down to that level.

**Mr. Marchese:** Yes, I thought it was.

When we called your ministry to get some information on this, because we were asking when boards were likely to expect those remaining dollars that you announced of the \$250 million—

**Hon. Mr. Kennedy:** Sorry, Mr. Marchese: \$250 million?

**Mr. Marchese:** Yes, \$250 million that you announced to be able to generate, to leverage \$3 billion worth of capital expenditures. You have spent \$75 million for the first phase, which generated whatever capital spending dollars.

**Hon. Mr. Kennedy:** Just to be really clear, the financing cost for this year will be much lower because we're using some short-term financing that will be much less expensive, but the ongoing cost will be that \$75 million, and then \$150 million per year, for the repairs under the Good Places to Learn. That will leverage us the \$2 billion.

**Mr. Marchese:** So this \$75 million you are spending is likely to continue to take us to next year?

**Hon. Mr. Kennedy:** No. It's really important to understand that this is a system set up by the previous

government. I have to say, it's a potentially expensive way of financing, and we're looking at ways—in fact, I think we have found some ways—to cut the cost, but right now it exists like a 25-year mortgage. The \$75 million is the first year of the mortgage payment. So another \$75 million has to be paid next year, and so on and so forth. If we find a way to finance it less in the short term, we don't save money next year when the full financing comes into play. We'll be paying \$75 million.

**Mr. Marchese:** Every year?

**Hon. Mr. Kennedy:** Every year for 25 years under that plan.

**Mr. Marchese:** Under that plan. So the \$250 million you announced a year ago when I came to your press conference—this \$75 million to leverage under the old plan is part of that, or different, or the same?

**Hon. Mr. Kennedy:** I'm not sure exactly what you're referring to in terms of the \$250 million.

**Mr. Marchese:** The \$250 million you announced was what would leverage \$3 billion and whatever.

**Hon. Mr. Kennedy:** I think what you're referring to is \$280 million.

**Mr. Marchese:** I thought it was \$275 million, but I've been hearing \$250 million ever since.

**Hon. Mr. Kennedy:** That's the annual cost of the total amount of expenditures in terms of the variety of things we just discussed, and I won't take more of your time to repeat it. Essentially that's what gets the total amount of dollars done, but that's the annualized cost. If you like, I can break it down, but there's \$75 million, then an additional \$75 million after the capital plans, about \$50 million per year to build the replacement schools, and another \$80 million for new needs out there, whether it's for class size or for Best Start and so on. Those things are in progress. Some \$36 million of the \$80 million is being allocated this year. We can give it to you in writing and save you the time if you like.

**Mr. Marchese:** Great. Thanks.

**The Chair:** Thank you very much, Mr. Marchese. Mr. Milloy, this was the 13-minute rotation we were completing in this cycle, if you'd like to take that now.

**Mr. John Milloy (Kitchener Centre):** Thank you, Minister, for coming in front of the committee. I wanted to ask you about transportation. It's a big piece of the puzzle for a variety of reasons. Obviously, rising fuel costs are adding a burden to school boards. At the same time, I know you're looking at the whole transportation formula, and I'm hearing good things. I'm also hearing concerns from different school boards on how it's going to play out. I just wondered if you could talk a bit about where you're at in looking at the formula and moving forward.

**Hon. Mr. Kennedy:** Sure. There has never been a funding formula for the education system financing of busing. Some 800,000 students ride the buses every day. The previous government neglected to finish that part of the funding formula. Essentially what they did was lock in the costs of 1997, minus 3%, and that became de facto the amount of money boards received. Especially be-



cause that was also a time of amalgamation, of a lot of changes and shifts within the system, that did not give every board the same opportunity to have the same quality of transportation. So when we came into office, we tried to complete a project that was underway by the previous government to get a formula that would work. We took that formula but, different from the previous government, we didn't want to impose it. Most of the formula that affects students today was imposed by the previous government without wide consultation, without a check on how it would work in the real world. For a year we went and talked to the boards and found out that that formula, fairly complicated, was not going to really fairly reflect. So with a lot of reluctance, we brought that formula back to the shop, if you like, put it back on the hoist, because it does need some more work. I believe, hopefully, it will be simplified in the final generation of that. We are now in the midst of doing that. We are consulting with the folks.

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We want to get a funding formula in place for next year that is going to be transparent. We used the previous formula only as a guideline. So the one we took out did have merits, it did point to some inequities, and we used it as a guideline to give above-average increases to some of the areas that have the greatest pressure.

Our record coming into office is a 10% increase in the first year. That went as high as 12% for some boards—sorry; I think it's about a 7.5% increase the first year and it was as high as 12% for some—and then 5% in the second year. This year, because of the problems finalizing that formula, we were certain to put in at least a cost escalator for the gasoline prices that prevailed at the time we announced the formula in June. That's about 17% of the cost faced by busing operators, and we made sure that the full costs of the increases to that date were incorporated. So our goals there were simply, having addressed some of the worst inequities in the first year, at least as indicated by the formula, we then put in place a fair holding pattern: a 5% increase, above the rate of inflation but reflecting some of the costs that boards and their operators face.

Again, going forward, the formula is hopefully going to really give everyone a clear view of how there is a fair payment for busing, because there's still a variety of services. I will say this: We will support it on the basis of a consortium. In other words, boards have to be at least as efficient. We really do encourage them to share busing services because, by and large, they can do that and maintain a high level of services.

One of the things that the province wouldn't support is competition based on the convenience of busing. We have four systems. They should be there offering different kinds of academic programs, not busing and not, frankly, facility advantages. That's the kind of thing that we're trying to work out as we bring this transportation formula forward.

I hope that by early in the new year we will be able to make the latest version of this transportation formula

public, to put it to another road test and see if indeed this will work. I have confidence that we're making some really good progress in making it simpler and getting it to finally be a fair way of putting dollars out there. Although I think the steps we've taken have made it fairer, it still requires this work that wasn't done in 1997 to get finished.

**Mr. Milloy:** Just to follow up, one of the concerns that I hear, and I'm sure you've heard this, is from the separate school board, which points out that in my riding they have a smaller number of schools. They bring in a larger area. I'm trying to find a word other than "competition," but it sort of becomes that. The local public school might be a short walking distance, and therefore there is this sort of trying to square the circle and allow the Catholic students to have access to the busing because they have to travel farther. You're aware of these issues. Obviously, from what you said, it's something that you're taking into consideration.

**Hon. Mr. Kennedy:** We are. I think there are fewer boards having to spend out of their pockets for transportation, and some in fact that do a little bit better by the formula and are able to apply some of those funds elsewhere. It's very hard to perfectly fit what the board expenditures are going to be, but some of it relates to choices.

We haven't gone to a provincial standard for a variety of reasons. It's easy to sit in Queen's Park the way that the previous government did and just say, "This will be so many kilometres and this will be done this way," but it doesn't then take local circumstances into account. We're trying to find the right balance. We don't want to dictate to local boards, "This is all you can do," but we are certainly giving them direction that, "You are going to have to be working with those other boards." Under that, there should be at least similar rules that they're using as part of a consortium, because that is, by and large, the way that the diversity we have in the Ontario education system can be afforded, frankly.

There are lots and lots of good examples now, since we've declared that direction, of boards working together, saving dollars, and still delivering a very, very high level of service. It's where boards are separate that we still get the conflicts that you're talking about, because they're not under the same kind of management. I think ultimately that's where we're headed. We understand there is some distinctiveness that people want, but that isn't, to us, a valid competition within the education system, and certainly not one that should be borne by the taxpayers.

**Mr. Milloy:** I'm wondering if I can change the subject for a second and talk about EQAO. In my community, I think everyone was pleased with the results. They certainly garnered very large headlines, which is always of interest, on the fact that the results have gone up. At the same time, there have been some criticisms that have said we've changed the tests and made them easier. Just to go on the record, can you explain how these tests have been modified, and do they in fact reflect what's going on in our schools?



**Hon. Mr. Kennedy:** I'm happy to go on the record with that, because it is important for people to know that the EQAO was established by the third party, was put into operation by the Conservative Party when in power, and is an independent testing organization. It determined that it needed to make changes while the Conservatives were in power, and we left the same board of directors in place, including former Conservative education ministers and former members of the Conservative education advisory committee, because we felt it was very important that these decisions get made apart from the government.

Indeed, the decision was made that the same, comparable test—the exact same difficulty, the same reflection of the curriculum—could be accomplished in a shorter period of time; that there had been an excessively long test offered and it took up a lot of time. We didn't think it required 12 hours. This takes six hours to evaluate now. It's two hours per subject. Everyone in the system agrees that that's enough time to tell whether the student has a strong or an excellent grasp of the subject matter. It means less time taken away from the school and exactly the same difficulty for the student.

Again, it was not a decision made by the government, although we're pleased to see that it's less of a burden for these tests. The money we saved went right back into helping students. The sad thing about the testing was that the Conservative government paid \$200 million for it, and no money was really put in to help students do better.

The third party can probably explain for itself, but as I understood, the design of this was to tell you—when you have 4,000 elementary schools, for example—where the needs are, how you match the resources and how you match the strategies to the right places. When you have a provincially funded system, that's what the EQAO results can help you to do, among other things. That's what we've started to use them for. We had increases when the test was the same and now we've had another year of increases—almost identical increases, in fact—now that the test has been modified to make it more efficient. Obviously, to me, it is still a comparable test.

Further, the real point here is that they're the first increases in the last two years. It's really a credit to the system that when they're allowed to focus on student needs, when there's less conflict, when there are resources, when the books are there and when the support and the training is there for the teachers, then indeed they can deliver results. When we came in, the average test scores were 54%. Now, about 62% is the average result there, and that's the percentage of students reaching the provincial standard. It hadn't moved for years. The reading test for grade 3, for example, never moved the whole time that the reading test was brought in, and now it's up five points. It's a result that has everything to do with the efforts that people are making out there. For two years in a row, we've had very similar results, one, when the test was exactly the same as it was before, and two, when it's modified but still comparable.

That should let people know that these results are not the be-all and end-all. There are lots of better ways to

know what's going on when it comes to your classroom and your children, but there is no better way to know across classrooms and across schools what is happening comparably. Therefore, we're using this as one part—just one part—of the guidance for our Every Child program. It allows us to give individualized attention to children, because we can target schools where there are extra struggles, get them the resources, make sure the training is taking place and make sure the principal knows everything he or she needs to know to organize their staff.

Frankly, right now, the signs are encouraging. We have a long way to go, but we're one third of the way to our goal. We've got three school years to get there, and we're very pleased to think that's possible.

**The Chair:** I'd like to recognize Mr. Ramal, who has a question.

**Mr. Khalil Ramal (London-Fanshawe):** How much time do I have?

**The Chair:** Two minutes.

**Mr. Ramal:** We had a meeting last week with the Thames Valley board of education. They appreciate your vision and direction toward education in this province and they see results, but they have a concern about capital funding. They receive their funding at the end of the year, not the beginning of the year, which doesn't give them enough time to forecast planning and how they can spend their money for the whole year. Can you talk about this issue, Minister?

**Hon. Mr. Kennedy:** Well, I'd have to find out a little bit more about what they're referring to, because capital allocations remain known before the school year. So in June, boards would roughly know what their entitlements are. Some boards—and I think Thames Valley is one of them—have some particular situations that they want addressed that are anomalous, and there are some of those that are in between. We made a change in policy. Frankly, it's saving us \$650 million from the previous system and delivering more for that. We're getting more done, because the previous government left in place high interest rates and fairly sloppy accounting, and we're able to pay on time and save money. But that does not impact the boards' planning. The boards are putting forward a plan that was originally for October and now is going to be December, but that will be plenty of time, we believe, for the next school year.

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It may be that Thames Valley has one or two projects that they'd like to hear about, as to whether they fit into what we call a transition category, the old rules versus the new rules. I can check that for you and get back to you, but I think, having met with them last week myself, that may be the case. It wasn't at the top of their list, but there are a number of places where we're trying to address those needs. Frankly, while we have to have a fair way of allocating, we also have to have a way of taking into account the exceptions that are there around the province. We've been trying to do that within, we think, a much more sound policy framework.

Previously, almost all the money spent on capital went to about 12% of the population, essentially where growth

was taking place. Now our capital is spread out such that 84% of students are benefiting, for example, from our Good Places to Learn program, and that's how it should be. Everyone deserves to be in a good school. So whether it's repairs, replacement of old schools or building new ones in the pocket pressures that exist, those are all part of how we're responding to boards.

I'd be happy to take that up and find out what exactly is happening there, but the assistant deputy tells me it isn't a transition issue. We'll check into that and convey it directly to you in terms of an answer.

**The Chair:** Thank you very much, Minister. Mr. Klees, you have 20 minutes.

**Mr. Frank Klees (Oak Ridges):** Minister, I'd like to pursue the transportation theme with you. As we know, some 800,000 students travel more than 1.9 million kilometres every day to and from school in various school purpose vehicles. The operators of those vehicles: I would think that you would consider that they're a very important stakeholder group of the ministry; is that right?

**Hon. Mr. Kennedy:** Well, certainly we appreciate that the private sector is fully in place. I believe, with only the exception of a few very small operations, that these are all privately owned companies that are providing the services. Certainly, we believe they do a good, high-value service, and they are appreciated.

**Mr. Klees:** Is there any reason why you're not responding to any of their letters? They wrote you letters dated October 27, 2003; December 19, 2003; May 7, 2004; October 1, 2004; October 25, 2004; January 14, 2005; February 22, 2005; July 26, 2005; September 1, 2005; and October 6, 2005. Not one of those letters has been responded to. Is there any reason for that, Minister?

**Hon. Mr. Kennedy:** I guess I have to differ with you. Just for the record, on November 27 there was a session held with our ministry staff to meet with OPSBA. They also met on November 27, 2004; September 27, 2005; and October 27, 2005. I personally met with them on January 12, 2005. My staff also met with them on June 10, 2004, and most recently on November 4, 2005. In other words, we've responded to their letters in person.

**Mr. Klees:** No, Minister. During those meetings—

**Hon. Mr. Kennedy:** I'm just telling you—

**Mr. Klees:** No, let me finish the question.

**Hon. Mr. Kennedy:** If I may—

**Mr. Klees:** No.

**The Chair:** One at a time.

**Hon. Mr. Kennedy:** I'd just like to finish the sentence, just to say that the concerns in the letters were addressed at those meetings to a very large extent. Now, there may still be some dissatisfaction with the answers—that may be true—but to say that we haven't responded is not accurate.

**Mr. Klees:** Minister, here is what the stakeholders are saying. They did have meetings with you. During those meetings, you specifically asked them for information. These were questions that arose out of those meetings, and you asked them to get back to you to clarify matters, to provide you with information. They requested in their

letters a response from you to information that you had requested. Not one letter was responded to in writing by them.

My question to you simply is this: Do you not respect these stakeholders enough to provide them with a written response to their letters?

**Hon. Mr. Kennedy:** Again, I would say to the honourable member that we do respect them, such that we meet with them. We talked to them directly about their concerns. I had a chance to talk informally to some folks. I believe that we are taking into account all of their concerns that—

**Mr. Klees:** You admit that you haven't responded to them in writing?

**Hon. Mr. Kennedy:** With all respect, the main aspect they're looking for is a response from the government, which we're working on.

**Mr. Klees:** No. They've asked for a written response, Minister, and you've refused to provide it. There are stakeholders of your ministry—

**Hon. Mr. Kennedy:** That's not what they're telling me. They're certainly telling me that what they want is a substantive response, not a courtesy letter, and I believe, in general, within government—

**Mr. Klees:** Well, let's move to substantive responses, then.

**Hon. Mr. Kennedy:** If we're meeting them in person, I think that does constitute a substantive response to their concerns, and I would want parents out there to know that's the way we're—

**Mr. Klees:** Let's move to substantive responses, then, Minister. You've advised the stakeholders that transportation grants funding is up for fundamental reform. We're now five and a half months away from the beginning of the fiscal year. When are there going to be consultations with the transportation partners specifically on matters that they raised with you?

Let me give you an example: In light of the wildly fluctuating gas prices and increasing insurance costs, the School Bus Operators' Association proposed a very specific model that would allow for monthly monitoring of costs and a quarterly reconciliation so that boards aren't going to be robbing Peter to pay Paul in their transportation needs, because that is happening now.

You must be aware that school boards are calling the busing industry in and asking them to take a cut in their transportation transfers so that they can support other areas of their programs. Have you responded to this specific initiative that the school bus association is proposing, and if not, why not?

**Hon. Mr. Kennedy:** I have talked to them informally about it. We've increased the funding by \$33 million already this year.

I think you'll appreciate this: It's the private sector; 50% of them have contracts that don't entitle them to increases, and 50% of them have escalators.

**Mr. Klees:** What does the private sector have to do with this?



**Hon. Mr. Kennedy:** Let me say this: If we're going to have—

**Mr. Klees:** Would it be different if they were public sector?

**Hon. Mr. Kennedy:** If you don't mind, Chair—

**The Chair:** Hold it, gentlemen, both of you. We have time today. Let's take the time. If answers are too long, I'll cut them off. That's my job as Chair. Let's allow both of you to speak. Otherwise, I'll have to start cutting off microphones, and then we're not going to spend as much time.

Mr. Klees, state your question again and the minister will be pleased to respond.

**Mr. Klees:** You referred to the private sector. What is the difference? What does it matter whether they're private sector or publicly operated?

**Hon. Mr. Kennedy:** The difference is that they have valid contracts with school boards. Those valid contracts differ from board to board, and some of them are proposing that we give guaranteed contracts. That would eliminate some of the competition that exists. They bid on contracts, they receive the contracts, they estimate their risk, as private business people do, and they determine what kind of price they can offer. That's the competitive part that I think established the bus services, and they're very skilled people. They've found ways to do that.

We acknowledge, and have been and are monitoring closely, the ups and downs of the gasoline price as a particular pressure. We are looking to see what the impact will be. I think you're familiar with the idea of fiduciary responsibility: Except for the most extraordinary circumstances, we can't make payments from the crown that aren't entitled simply because contracts were signed and half of the transportation operators don't have clauses entitling them to dollars either from their board or from any other source. That's part of the issue, and it's exactly on that issue that we've engaged the operators to see what they would propose. There are a lot of small operators out there, and we particularly appreciate their tenacity in providing this service. We appreciate the personalized service they provide. There are also a few larger operators that operate differently. So the one-size solution that's being proposed doesn't fit the private sector contracts that they've bid and won, in some cases. In cases where there are escalator clauses and so on, it's certainly something we are trying to look at to understand the impact. But, as I mentioned, gas prices have gone up. They've come down somewhat, and we are tracking and working closely with the sector to see what impact that is having.

You asked me another question, and I'll quickly give you the answer: No, we're not hearing from boards that this is causing impacts on the rest of the budget, and the operators at least are not saying there is any new effort by boards to take money away from the transportation budget. That's not what I've heard lately.

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**Mr. Klees:** Let me clarify: You have not heard from any boards that transportation costs are causing a problem in their budgetary process. Do I hear you correctly?

**Hon. Mr. Kennedy:** Of course we have. We've heard from some boards, those that have escalator clauses, and those that have escalator clauses that aren't protected, because some have clauses in their contracts and they say, "We only have to pay up to this much." Many of them have put provisions in there. Fuel, for example, is about 10% to 12% of the total cost of operating buses. Most of the cost, of course, is in salaries and capital acquisition and so on. That's a pressure, but it's a certain kind of pressure; one proportion. It doesn't automatically mean that we tell everybody to renegotiate the price. We'll see how the year is going, we'll see what the impacts are, but it's those boards that have different kinds of contracts that are looking to us for some relief.

But just to be very clear, I thought what you said before was that some boards were taking money out of transportation, which is different than coming to us for assistance. There are some boards, those that have those kinds of contracts, that are looking to see if there can be assistance. As I mentioned before, we're monitoring the situation closely, working with them, talking to the bus operators, who, by the way, are part of a ministry group. They've met seven times with our transportation review committee, in addition to the meetings with the political staff.

This is an ongoing issue, but as I've asked for their recommendation, I'd be happy to ask for the honourable member's. What would you like us to do? Is it to break the contracts that exist? Give everybody a guaranteed price? That's the nature of some of the proposals. Frankly, it's a question of being taken seriously by the operators. They understand that this is a competitive environment. When should the government become involved and essentially be taking the competitiveness out of some of those contracts? I can tell you that it's not a rhetorical question. We're asking that question quite honestly.

**Mr. Klees:** Minister, you've asked for my opinion. I'm going to suggest to you that the School Bus Operators' Association is actually making a very logical proposal to you, and that is to incorporate into contracts that model that would allow for the monthly monitoring of costs, over which the operators have no control, and to incorporate that quarterly reconciliation of those fluctuating costs. I think that's a reasonable proposal. Private sector or not, I think that's something you should give serious consideration to.

I'd like to talk to you about the declining supervision times that were negotiated with teachers' unions as part of the collective bargaining process. You're aware that as a result of that, there will be an impact on the busing schedules, if there aren't teachers available to provide supervised student arrivals. What, if any, analysis has been done by your ministry on the impacts of that reduced supervision time on busing and schedules for boards and authorities across the province?

**Hon. Mr. Kennedy:** I want to tell you that the implementation of this is taking place, and there will always be some exceptions but it is taking place against conditions.



In other words, boards accepted the targets for supervision for their staff members. Those targets can only be implemented if two conditions are met: One is that there is no compromise at all to the safety of students' supervision in any area of the school's operation, and secondly, that any changes result in no additional costs to the board or to the government. Those are explicit. To the best of my knowledge, they're in all the contracts that were discussed. There are some tensions about how that's being worked out, there are certainly some exceptions, and we have established a provincial stability commission that is now getting up in operation and collecting information about what's taking place.

Essentially, the goal here is to ensure that those conditions are met at all times. Both parties in their collective bargaining agreed to those conditions, and those are now going to be addressed by a province-wide effort that involves—and this is a little bit unique—the school boards, the teacher federations and the government in terms of making sure that this is done properly, without any negative impact.

**Mr. Klees:** So we can provide assurance to the school bus operators in this province that if in fact there is any additional cost to providing school bus transportation as a result of shifts in supervised student arrivals, you as a ministry will keep them whole, you will provide the additional funding or you will step in and ensure that there are no additional costs to providing that busing.

**Hon. Mr. Kennedy:** Again, our commitment to the boards—to the students, fundamentally—is that there won't be additional costs. If that happens to help the school board operators, we're happy to do so.

**Mr. Klees:** How much time do I have left?

**The Chair:** Six minutes.

**Mr. Klees:** I'd like to move on to another issue, and that is what I believe is referred to as the teacher development fund. When you made this announcement at the time that the four-year contracts were signed province-wide, there was a reference made, in all of your backrounders that we could find, to the fact that there would be a reimbursement of up to \$500 in out-of-pocket training expenses for teachers. At no time was there ever any mention that that \$500 would be extended as well to unionized board employees who are not teachers. We now find that in fact that \$500 bonus is being extended to unionized employees. A spokesperson in your office referred to it as a little something extra. "An added little extra," I believe is the quote. Can you tell us when the decision was made to extend that bonus to all unionized board teachers?

**Hon. Mr. Kennedy:** I can tell you that we didn't extend it through the provincial dialogues, because there haven't been fulsome provincial dialogues around support workers. What we did was respond to school boards. The announcement that you read was completely accurate, because it referred to teacher arrangements and so on. It's a money-saving device, a one-time \$80 million instead of \$360 million. If it had been an increase of one point more, it would have been \$360 million over the life

of the contract, so it was much more economical to do it this way.

**Mr. Klees:** When was the decision made to extend it to board employees?

**Hon. Mr. Kennedy:** At the end of the school year, we responded to the associations representing trustees in the province, and we provided for them a fund, left to their discretion, to be used in the course of bargaining, for a similar one-time payment for those contracts which were open to do with support workers. We let them design how it is modelled to work in terms of training. These are some of our lower-paid workers, and training is essential to them and to the function of the school.

Again, I'll emphasize the same thing: It would cost us four times as much if the settlements were higher, and this was meant to encourage that. But we left the management of this with the school boards, to come up with the best arrangements they could, so that there wouldn't be a feeling of prejudice between one class of workers and another, because the government is trying to be even-handed.

**Mr. Klees:** So you can't tell me when that decision was made to extend it beyond teachers?

**Hon. Mr. Kennedy:** I did mention that. The end of the school year, March 31—in the month of March was when that decision was made.

**Mr. Klees:** Let me ask you another question regarding that \$500 bonus.

**Hon. Mr. Kennedy:** I'm sorry; if I could correct you, it's not a \$500 bonus. We didn't provide that. Some boards are providing it by way of training; some are not. Just to be clear, it's not uniform across the province.

**Mr. Klees:** Where's the money coming from? Is it coming from the Ministry of Education?

**Hon. Mr. Kennedy:** The \$20 million we gave to boards, based on how many support workers they had, to help them in arranging long-term contracts at economical rates, was provided to every board. How the board chose to use it in their negotiations—because these aren't uniform contracts and not uniform dates—was up to them.

**Mr. Klees:** So this is \$20 million that the ministry sent to boards, no strings attached, and this was an incentive for them to sign contracts? Is that what it was? It was basically a signing bonus?

**Hon. Mr. Kennedy:** These were one-time funds that they could use. It's quite established, I'm sure you're aware—

**Mr. Klees:** To entice the signing of contracts.

**Hon. Mr. Kennedy:** —to keep the costs low. So, for example, 2% is typically what arrangements were arrived at. At 2%, in the instance of teachers, instead of 3%, which is what many other groups were signing, the savings, just from one year, are \$360 million. We had 2% to 2.5%. If it was all 3%, the savings would be something like \$800 million. So a one-time \$60-million payment to teachers versus up to \$800 million more made sense as a one-time bonus. It's not very well regarded in the labour world, because unions don't like it, but it was something that helped to sign four-year contracts for the first time.

**Mr. Klees:** Can you tell me whether those \$500 payments are going to be tax-free to the recipients or whether there will be taxes payable on that \$500 payment?

**Hon. Mr. Kennedy:** The negotiation was between the boards and the federations. I can't speak for the Canada Revenue Agency. Essentially, the determination will be made depending on the details of each one. I believe, in general, if they're legitimate, receipted business expenses, then it will be tax-free and therefore in everyone's interests. But it has to be for a legitimate business expense, and that ruling will have to be made by the Canada Revenue Agency. Otherwise, it's worth a lot less to those individuals because it's a taxable benefit.

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**Mr. Klees:** I would like the ministry to provide this committee with the Income Tax Act section that would provide support for your comments, Mr. Minister, that for a teacher or for a union employee these amounts paid would in fact be tax-deductible. Could you table that with the committee?

**Hon. Mr. Kennedy:** They will make a ruling on a board-by-board basis, so there is no advance opinion.

**Mr. Klees:** Who will make a ruling?

**Hon. Mr. Kennedy:** The Canada Revenue Agency, the federal government, will make a ruling on this.

**Mr. Klees:** For every board, board by board?

**Hon. Mr. Kennedy:** That's right, because it will depend on the contract and it will depend on how it's paid out. These contracts exist between—

**Mr. Klees:** Could I get that in writing?

**Hon. Mr. Kennedy:** I'm happy to provide it to you in writing.

**Mr. Klees:** OK. I would like that to come to this committee in writing, that the Canada Revenue Agency will make a board-by-board ruling on the tax treatment of that \$500.

**Hon. Mr. Kennedy:** And of necessity, sir, because it's only on a board-by-board basis that they can make the determination, as I mentioned before, which again is a general one, there should be no reliance on my interpretation as to whether this will be tax-beneficial or not. That's something between the boards and the employees.

**Mr. Klees:** Who is responsible for the administration of the application for these payments of \$500 and for the approval once those applications are received? Whose responsibility is that?

**Hon. Mr. Kennedy:** The application of those funds for proper and good purposes is always the responsibility of the board. The administration of those funds is something that has been in some cases negotiated. Sometimes it's shared. Sometimes it has gone to the federation to do, as they apparently have done for 20 years, but in pretty rare circumstances. Again, what is in everybody's interest here is careful accounting, without which much of the benefit of this expense recovery will be lost. There are a lot of out-of-pocket expenses every year by teachers. This is giving them compensation for some of them that advance their training. They take more training as a result. But if they don't do it properly, they won't get

their tax benefits, so it's in everyone's interest to do it. I understand that some boards have arranged audit procedures and criteria with some of the federations, so those federations are actually administering those criteria according to those audit procedures.

**The Chair:** Mr. Klees, we'll be back to you in a moment. Mr. Marchese, you have 20 minutes.

**Mr. Marchese:** I have other questions, but this was of particular interest. This \$20 million: Is there any oversight by the ministry, or did you just give the \$20 million and it flows to the boards?

**Hon. Mr. Kennedy:** Again, Mr. Marchese, we gave it to the boards because the awkwardness here was that we didn't want to treat one class of employees differently. It was hard to be uniform because the contracts weren't all up at the same time. We gave it to the boards subject to the same standards as other money that they're provided—

**Mr. Marchese:** No, I understand.

**Hon. Mr. Kennedy:** —but to be used at their discretion to provide the training. But the oversight to make sure they use the dollars properly is there.

**Mr. Marchese:** By whom?

**Hon. Mr. Kennedy:** By the ministry.

**Mr. Marchese:** So there is some oversight, or at least oversight in the end after they've expended the dollars one way or the other? All boards are doing this differently. I don't know whether federations actually have to negotiate this or initiate this. Do you have a sense of this, or does it really matter how they arrive at it? Is that an issue or concern?

**Hon. Mr. Kennedy:** Again, they have to satisfy us with their audited statements. They have to satisfy us in terms of the spot audits that we do. In general, they've got to meet the standards for dealing with this. Essentially, boards handle, on behalf of taxpayers, about \$17.2 billion. This is one part of it, and it's subject to significant review.

**Mr. Marchese:** Do boards initiate this? Do federations initiate it? To whom—

**Hon. Mr. Kennedy:** If that's the question, they do negotiate this. This is a resource to the board, should they choose to put it on the table as part of negotiations, and they negotiate, then, what form it might take.

**Mr. Marchese:** With the federations?

**Hon. Mr. Kennedy:** In this case, it's not the federations. If we're talking about the teacher one, it was with the federations. Those were all concluded, as you may know.

**Mr. Marchese:** But we're talking about this bonus, this 20 million bucks.

**Hon. Mr. Kennedy:** There are two parts to it, as the member previous said. There's a \$60-million component—

**Mr. Marchese:** I'm talking about the \$20 million.

**Hon. Mr. Kennedy:** The \$20 million is not teacher federations. That's for support workers. That's what I'm just trying to let you know. There are a lot of representative groups out there for support workers, not just the



teacher federations, although certainly some of them are part of the same union.

**Mr. Marchese:** We'll have to come back to that if we have time.

On the capital expenditures, we were trying to make some inquiries with your ministry. The first time we did that, they were very helpful. The second time it was a bit more complicated because we weren't getting the kind of information we were looking for. And it's understandable. Ministries are always very cautious and protective of what kind of information they release. We were calling to find out, of the \$280 million, how much money has flowed and in the future would flow, and there was no clarity in that regard. But what we did hear from one staff who was talking to one of my staff was that boards, I think as of next year, will have to make five-year plans, and it will be required by the minister to make five-year plans in order to be able to access further capital project dollars. Is that true?

**Hon. Mr. Kennedy:** It's not true, in the sense that they have to do it this year; December 16 is the deadline. But it is a five-year plan. It's a capital plan with a number of specific differences from the ones they've done before, and that makes them eligible for a number of components of this. We have to see that there's a plan that utilizes resources that makes a good business and education case for the use of the dollars.

**Mr. Marchese:** So this five-year plan is somewhat different from the previous total renewable needs that were identified by the ministry of 2003-04? This is different, or the same?

**Hon. Mr. Kennedy:** It incorporates that, but there are a number of other things. There's also money eligible to build new schools, to replace schools that are—for example, for a school, 80% of the cost to rebuild it is the total sum of the repairs. For anything over 65%, we're simply saying, "We'll let you build a new school." But to get those dollars, we're saying that you need to give us an education and business case that supports that. For example, the school could be in very bad shape but there could be a very small number of students in it, and they might just be better transferred somewhere else, or a range of things.

**Mr. Marchese:** And I have a question in that regard. It's coming.

**Hon. Mr. Kennedy:** But that's part of what's different about the capital plan and the Good Places to Learn listing you're referring to.

**Mr. Marchese:** So why couldn't we have simply stayed with this plan that was already in place that was reviewed by your ministry, for which there are \$4.5 billion worth of capital expenditures that are presumably very serious? Why aren't we sticking with that, based on your \$280-million announcement of last year?

**Hon. Mr. Kennedy:** For this reason: because there are varying capacities of boards. Some have a lot of money in reserve; some have dollars for capital that they were given and didn't spend. Under the previous government—I know you'll find this a bit incredible, but we'll

make sure you get the dollars in front of you—\$109 million was sent out last year, before we stopped it, to boards that weren't building anything. So the cash—

**Mr. Marchese:** No, I know. You've said that before.

**Hon. Mr. Kennedy:** We've got to make sure that actual additions are being built—

**Mr. Marchese:** I agree, and that's what I thought you were doing.

**Hon. Mr. Kennedy:** —and actual things are being done. I think I hear you questioning the need for a plan, rather than simply sending out the money. We're not doing that. We're requiring a plan for the second phase of this.

**Mr. Marchese:** I know. I understand.

The Good Places to Learn information package made the statement that, "The renewal needs of facilities that have been identified as having a facilities condition index of 65% or greater have been removed from the calculation." That means that schools that need too many repairs will not be fixed; they will be replaced. I'll continue to quote from that document: "An estimated \$50 million will be allocated in respect of replacing approximately 120 of these facilities."

We would like the names of all the schools that have been replaced and the cost of each replacement project for the years 2003-04, 2004-05 and 2005-06. Is that possible?

**Hon. Mr. Kennedy:** The 120 schools were identified exactly as you described—65% facilities condition index. Then boards are required to file with us, as part of their capital plan, the business and education case. Only after that will the authority to build those schools take place.

**Mr. Marchese:** I understand. Have there been schools that have been replaced in 2003, 2004 or 2005, under that criteria?

**Hon. Mr. Kennedy:** No. There was no program until 2005. Basically, now that we've established the criteria and now that the boards know what they are, they're proving their cases and then they'll receive the grant in consequence of an approval for those schools.

**Mr. Marchese:** So this whole process was announced in 2005—not before, but in 2005.

**Hon. Mr. Kennedy:** The 2005-06 school year is the first instalment of it, the \$1 billion, and then the eligibility to plan to replace a school was given to boards. I should say that last year, we flowed the money before the school year started. We'll be prepared to do that for this year as well so that it won't be an impediment; it's just simply making sure that these buildings need to be replaced.

Again, it's the first time there's been a program of this kind. There were 30-some schools addressed by the previous government, but they weren't done in an overall, fair kind of way.

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**Mr. Marchese:** One hundred and twenty of these facilities have to be replaced. Are there kids in some of these schools?



**Hon. Mr. Kennedy:** Oh, yes. I would say that all of them are active schools.

**Mr. Marchese:** How do we feel about the fact that they're in such bad shape they have to be replaced, not repaired?

**Hon. Mr. Kennedy:** Which is why they've been left that way for 20, 25 years, and we are finally going to replace them. I should say this, though. I should say this very, very clearly—

**Mr. Marchese:** When do you anticipate that happening?

**Hon. Mr. Kennedy:** They receive regular renewal dollars, which can be used on those buildings to keep them in a certain kind of form. We would hope that all the 120 schools will be awarded this year for construction. This will vary. Unfortunately, there is a problem, you can appreciate, in some areas. If you're building a lot of schools, you could send the prices up. That's something we've learned and we didn't anticipate, but we learned it was true for the roof replacements, the windows and so on. But we would hope to get all 120 of them, save for those conditions, going by next year

**Mr. Marchese:** Next year.

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** OK.

**Hon. Mr. Kennedy:** Again, we'll give them money ahead of that school year if that's indeed what they can get done.

**Mr. Marchese:** That's fine.

I want to get to special education. I have a copy of a memo dated November 4, titled, "Revised Estimates." It was issued by Wayne Burtnyk, director of transfer payments and financial reporting of the Ministry of Education, and it's addressed to the superintendents of business. On page 2, under the headline "Special Education," the last line reads, "Boards should note that all approved net new needs claims will be recognized for full funding in 2005-06." You're familiar with that, obviously.

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** I take that to be the correction you promised to issue last time we met, effectively removing the cap for net new needs in special education funding. Is that correct?

**Hon. Mr. Kennedy:** That does have that effect, yes.

**Mr. Marchese:** Is this the final word of the government of Ontario, that you will provide full funding for all net new needs claims in 2005-06? By the way, I'm asking this because for the last two memos, when I made reference to Madame Proulx and Nancy Naylor, that I read on the record, you said that those memos were not "the final word of the government." This is, I'm assuming.

**Hon. Mr. Kennedy:** It is.

**Mr. Marchese:** I want to draw your attention to a document that is the final word of government as it applies to boards of education and administrators, and those are the legislative grants for 2005-06. I've got that here: This is the document that board administrators look

at to calculate how much funding they will receive from your ministry. I downloaded this copy from your Web site today, and this copy still contains the cap on net new needs. When will you be issuing a correction of the legislative grants for 2005-06 to go with your corrections by memo?

**Hon. Mr. Kennedy:** Well, you just read the memo that the boards received, so you know that's already been done. The regulation and so on was amended to be clearer last Thursday. It's in effect; the boards are aware of it. I would say again, for the record, that boards were aware of it before, because they didn't file \$40 million worth of claims; they filed \$70 million. That's what we're in the business of auditing right now, going through with the boards to validate those claims. So there was a misunderstanding by boards, for which I've taken responsibility, and it's now been corrected.

**Mr. Marchese:** Maybe I should just read what the legislative grants say. It takes a bit of time.

**Hon. Mr. Kennedy:** The assistant deputy informs me that the reg will be gazetted. Once that happens, that part of the official notice will be generally shared.

**Mr. Marchese:** I'm sorry. What did she say?

**Hon. Mr. Kennedy:** The assistant deputy is just reminding me that the technical change will be gazetted, which, as you know, takes a little bit of time, and then there will be a further notification going to boards of a more formal kind.

**Mr. Marchese:** Good. That's very good. I'm happy to hear that. Your other question was a bit more confusing and complicated, based on the discussion you and I had last—not the last week but the week before.

**Hon. Mr. Kennedy:** My apologies for any lingering confusion.

**Mr. Marchese:** All right. I'm glad to hear that it will be corrected sometime in the future. Do we have a sense of when that might happen, assistant deputy?

**Hon. Mr. Kennedy:** Again, to get it very, very clear, all the corrections have taken place. I know you're very familiar with this, the actual printing of the government publication, or the Gazette, to make it official. So all the procedures have happened, and that is simply based on the publishing schedule of the Gazette. So nothing further needs to be done.

We said we would do this. We took care of changing this. The boards are aware and, as I say, there already was no net impact on students because boards were, by and large, aware of that. But again, we've now fixed the misunderstanding.

**Mr. Marchese:** On page 14 of the same legislative grants that the assistant deputy and deputy are aware of, subparagraphs 3(iv) and 3(v) represent the capping of net new needs in special education. These subparagraphs give you the extra calculations you have to make if the number of newly enrolled students exceeds the one that the ministry artificially set for the province. Any meaningful correction of the cap should effectively remove subparagraphs 3(iv) and 3(v). Will you do that, Minister, and when?

**Hon. Mr. Kennedy:** Essentially, that's what the reg change does; it changes those provisions. Again, the reg change has been made. It will be gazetted, I'm told now, on November 26 and, therefore, technically that's when it's in effect, but the relevant decision-makers at the board have been confirmed in that. Essentially that is the same information as provided before. What you're reading from is part of what we described would be changed. It's now been changed.

**Mr. Marchese:** OK. Without the cap and according to the 2005-06 legislative grants, all a board has to do to calculate their allocation for net new needs is simply multiply the number of newly enrolled students by 17,000.

You can read that on page 14, subparagraph 3(iii). It says, "Multiply the number determined under subparagraph (ii) by 17,000." So, according to your correction and your promise of full funding with no cap, every board will receive \$17,000 per newly enrolled pupil identified as a high need.

Can I get a confirmation from you that every board will receive \$17,000 per newly enrolled pupil for 2005—

**Hon. Mr. Kennedy:** Again, since you're delving into minutiae, I want to be sure to be very correct on the record. What we have worked with boards on, for this year and last year—again, I remind folks that the amount of money we put forward was actually undersubscribed—were the net new needs. For example, if a new person comes to the board, a family with a child that needs extra help, and two leave, then there won't be additional dollars provided, but if two new people come and only one leaves, then there will be the additional dollars provided in the way that you describe. This is subject to verification and auditing procedures carried out by the ministry—

**Mr. Marchese:** I understand that.

**Hon. Mr. Kennedy:** The net legitimate new needs will be met. That's the policy, as I explained here before, and that's the policy that is now—

**Mr. Marchese:** OK. But here's what I'm asking you that you're not answering. Can I get a confirmation from you that every board will receive the \$17,000 per newly enrolled pupil? You're not answering that question.

**Hon. Mr. Kennedy:** I will answer the question because you've put it in a different way. You said, "Will every student they claim be provided with \$17,000?" and I'm just telling you, as long as that's a net new need—in fact, you said "every new student." If there were students who left, then the answer would be no—

**Mr. Marchese:** We understand that. That's part of the calculation.

**Hon. Mr. Kennedy:** But if you're asking what the denominator is—is it going to be \$17,000?—the answer is yes.

**Mr. Marchese:** Is it going to be \$17,000, and the answer is yes?

**Hon. Mr. Kennedy:** It's going to be \$17,000. So if that's your worry, and if that's the worry—

**Mr. Marchese:** That is my worry and my question.

**Hon. Mr. Kennedy:** OK. Then you have your answer.

**Mr. Marchese:** Good. That's what I wanted you to say. It wasn't so hard. Boards will be happy, and I'm happy to hear you say it.

**Hon. Mr. Kennedy:** It was perhaps the question, or just my inadequacy in understanding it.

**Mr. Marchese:** I could have rephrased it, perhaps, because I talk about net new needs. That's what I talked about, and you're talking about that as well.

**Hon. Mr. Kennedy:** We got there.

**Mr. Marchese:** We're on board.

**The Chair:** I've never seen you two so happy.

**Mr. Marchese:** Isn't that amazing? You can get to those conclusions when we agree.

**The Chair:** You have three minutes, Mr. Marchese; three more minutes of this.

**Mr. Marchese:** Special education funding, still: In an article written by Ian Urquhart in the Toronto Star on November 9, you're quoted as saying that you have placed an additional \$240 million into special education since you took office. Are you quoted correctly in that? I don't want to make a mistake.

**Hon. Mr. Kennedy:** I believe that's correct, yes.

**Mr. Marchese:** Can you give us a detailed account of the new funds you have poured into special education, perhaps by naming the grant and the year the money flowed?

**Hon. Mr. Kennedy:** I think I can.

**Mr. Marchese:** If you have a copy, that's even better.

**Hon. Mr. Kennedy:** I'm always happy to provide you with a copy.

**Mr. Marchese:** Beautiful.

**Hon. Mr. Kennedy:** In essence, we have provided additional funds of that amount since coming into office. Our total funding for special education is approximately \$1.9 billion and in previous funding was \$1.62 billion, hence the amount of money that I believe you're referring to. That line includes ISA and SEPPA grants. Those were provided, as you may recall, a significant amount in 2003-04. Then, what we've been discussing a little bit, I think, is the particular way that we paid for the increases for the last two years. But that is the annualized cost, not the amount since we've come into office.

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**Mr. Marchese:** Can you break it down for me? You quote to me what you are putting in and what the previous government did, and you get a number. Can you break it down in terms of where and how?

**Hon. Mr. Kennedy:** What breakdown would you like?

**Mr. Marchese:** This number changes every time you talk to me or others; it's just a fluid number. So what you're saying is, there's \$240 million more for special ed, and it's for ISA and SEPPA programs. Is that it? Is that what we're saying? And it flowed in 2003, 2004 and 2005, or just from the previous government to now?

**Hon. Mr. Kennedy:** Again, you've accessed the Web site quite successfully, and the same information we found that was there at the beginning of the year. The one



caution I would have is that the actual spending—it supports that number; actually, it's something of a higher increase—essentially doesn't include any extra spending by boards, which will take place, because some of them are still expending some of their surpluses as needed. But essentially, yes, those dollars are there. The provincial total is to be found on page 4 of 150, for the people looking on that Web site, for education funding grants.

**Mr. Marchese:** In terms of a breakdown, there is no such thing?

**Hon. Mr. Kennedy:** Sorry, which breakdown are you looking for?

**Mr. Marchese:** You spent \$250 million, you say, on special ed. Is there a detailed account of how that's spent? Or is it just simply something where the minister says—" \$240 million more has been spent"—and that's it? "Just look at the number on page so and so, and you'll see it," is that it?

**Hon. Mr. Kennedy:** Well, no. In essence, there are, then, some sub-budget lines. There are four levels of ISA altogether, actually: ISA 1 for equipment; ISA 4 for section 19 schools; we also have a SIP grant; and we have ISA 2 and 3, which are the main ones, I think, that have been in discussion, previously individually qualified. Even though those programs have not been continued, they're still in place in terms of funding. Then there's the SEPPA funding overall. Now, if you wish, we can get you the detailed breakdown of those grants.

**Mr. Marchese:** Yes, if you don't mind, and if the assistant deputy would like to be helpful, because she's there and she's got all the numbers. That would be great. If you could give it to me now, I'd feel better.

**Hon. Mr. Kennedy:** She'd be happy to provide that. This is a listing of SEPPA grants, ISA 1, ISA 2 and 3 combined—we have to go back and get you ISA 2 and 3 separate—the SIP grant and ISA 4. This is the spending in 2003-04, but we can get you the allocation for this year. Is that what you'd prefer? We want you to be happy, but we need to know. This is like ordering ice cream. I need to know what flavour you want; I need to know if it's a cherry on top.

**Mr. Marchese:** Just put the whole thing on, exactly.

**Hon. Mr. Kennedy:** Everything?

**Mr. Marchese:** Yes, because then you and I can go and talk, because we're on the same page, so that you're happy—

**Hon. Mr. Kennedy:** I think you're coming to this conclusion—

**Mr. Marchese:** No, no. Please say no more.

**Hon. Mr. Kennedy:** —that whatever you're looking for is there; that whatever you're looking for, you'll find and you'll get. But I need more precision if you want specifics.

**The Chair:** Gentlemen, could you wrap up your menu so that I can recognize a government member?

**Mr. Marchese:** Maybe they don't want to ask any questions.

**The Chair:** Mr. Leal has a short question, and then I'll continue with the rotation.

**Mr. Marchese:** Thank you very much, if that's it.

**Mr. Jeff Leal (Peterborough):** Mr. Chair, would I have time for two short questions?

**The Chair:** As long as you determine that they're short. I'll help you with that.

**Mr. Leal:** Thank you very much, Mr. Chair. I appreciate your guidance.

Minister, I want to go back to busing for a moment. I must say that Ms. Naylor has been particularly helpful. There's a particular problem we have in my area. When the amalgamation occurred between Northumberland and Peterborough in 1997, in terms of bus rates that came into play then, Northumberland was higher than Peterborough, and because it was frozen in time, it has created this inequity. The folks that it's really hurting now are the small operators. Often, these small operators have these busing operations and they're also farmers. We know the stress and strain that that side of the income ledger has experienced the last number of years, so they count on their busing operations to assist them. Let me say that they are small operators—three, five and six buses—the kind of operators who don't have alternatives to look at to generate income. I know you've been working through that. I would just like to hear your response.

**Hon. Mr. Kennedy:** As I said before, we appreciate that they're there. They know their community; they know their kids. They do a good job in keeping them safe, and they keep their buses in good mechanical condition. They have kept up with our improvements to safety. All we're really looking at is what kind of business model we can get that would give them some more security and that would still be deriving the advantages that I just listed that came from them as private sector operators offering this flexible service, and particularly in these times.

We do acknowledge that for at least some of the busing fleet and some of the busing operations, there are pressures. We've got some big companies out there. They've got hedge funds and they're protected from gas increases and so on. But we're very focused on the people you're talking about, which are the small bus operators, and trying to see. We've asked them and we've been working with them, and now with a little bit more urgency because of the gas fluctuations, to see if we could come up with a budget model that would offer something to them. We need them to stay in the business. We need them to still do the high-quality work that needs to get done to transport those kinds. So I think that's a particular challenge that we're taking on. But I would distinguish that; there are some companies that have 35% or 60% of the market, and they aren't small bus operators. We want them to be viable business models too, but there's quite a range out there from the three to five to the 600 to 6,000 or whatever it may be in terms of the top end.

**Mr. Leal:** And, Minister, they've bought into your consortium concept. They participated fully and worked through some very difficult routing situations, but they want to work with you.



**Hon. Mr. Kennedy:** There are two things. One is, we're looking at what the interim impacts really are, and then we're looking at making sure that the funding formula may take that into account. The funding formula, as it was previously contemplated, was only an allocation; it didn't really respect—what did boards do with it? If they were sharp when negotiating a contract, they could potentially save some dollars. What the operators sometimes said was that they're a little bit at the mercy of boards because they've made the investment in their buses. If they get paid a little bit less, what are they going to do? They're going to have to match that. I think that's something that we, the ministry, and they, the school boards and bus operators, have to come to some kind of understanding on, because we have passed all increases. The previous government didn't increase it for years, let it atrophy, and certainly that's coming out of the bottom lines.

We've put fare increases in in the last two years. Some of that has flowed and helped those bus operators pay their staff, helped them get by themselves. Some has not flowed, so the question is, as with many things in education, to what detail should we interfere at the provincial level? I mentioned the issue of contracts, because that's one part of it, but I think we're looking at what kind of business model will work here, and we want it to work. We want those small operators to stay in business—they have a lot to offer—and I think that's where we're focusing our energies as we look at both the model and what pressures are really there. We certainly don't want those to be exhausted. We're looking at our boards to treat those folks as their business partners, which means fair treatment. None of them has any influence over the price of gas and, even though that may only be 12% of their costs, their margins have already been somewhat squeezed.

The problem for the province is it's different in every part of the province. It's a different contract, it's different historical funding, and it's a different sort of circumstance in terms of the ability of companies, usually based on size, to weather some of those changes.

So we're trying to come up with something for them that does protect the taxpayer, but it is our goal. Small bus operators, we recognize, are a very important part of this equation. If you like, I guess we could say that's where we're starting. That's what we think is the most urgent part of this to get fixed, and that's what we're focusing on.

**Mr. Leal:** I appreciate that.

**The Chair:** Thank you very much, Mr. Leal. Mr. Klees, you have about 22 minutes.

**Mr. Klees:** Minister, I'd like to return to this \$80-million slush fund, if I can refer to it as that, because that's what it appears to be.

Can you provide the committee with a board-by-board listing of the funds that have been allocated to the boards under this bonus arrangement that you have, first of all?

**Hon. Mr. Kennedy:** I will just object to the idea that this is any kind of slush fund. This is a fund provided for

a good purpose in the public interest: economical contracts, long-term agreements. It has achieved that purpose, and I object to that allegation.

**Mr. Klees:** Thank you, but you will provide the board-by-board allocation?

**Hon. Mr. Kennedy:** The funds allocated, by board, belong in the public domain and I absolutely will provide that.

**Mr. Klees:** Thank you. What, if any, guidelines were provided by the ministry to the boards for acceptable expenditures for reimbursement under this fund?

**Hon. Mr. Kennedy:** Again, the characterization to the boards was for them to determine, and we felt that their standing audit procedures and the need for them to arrive at criteria at the negotiating table would make sure that these were done in the most beneficial way possible to the public interest, which, frankly, is for them to be used for professional development purposes; otherwise, as much as 30% or 40% of the benefit is lost. So we left that up to the boards.

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**Mr. Klees:** So the ministry provided no guidelines in terms of accountability for how this \$80 million would be spent by the school boards. Is that correct?

**Hon. Mr. Kennedy:** As you may be aware, your government provided far fewer guidelines when it came to labour negotiations.

**Mr. Klees:** No.

**Hon. Mr. Kennedy:** This is dollars to support a labour negotiation that legally takes place between a local entity, the school board, and another local entity—

**Mr. Klees:** The answer clearly is no.

**Hon. Mr. Kennedy:** But for the reason I've mentioned, which is that it's a labour negotiation, and we aren't able to stipulate the terms of that negotiation. This was meant to serve, and did serve, a dual purpose. It got more training for teachers. It covered some of their out-of-pocket expenses. It also helped them to sign contracts that saved the public a lot of money in the long run and brought a lot of books and a lot of extra teachers into the classrooms.

**Mr. Klees:** Speaking of books, how much has the ministry allocated for textbooks for the fiscal year?

**Hon. Mr. Kennedy:** There are two allocations—one special allocation for \$44 million, and that is on top of the standing allocation. I'll ask for that to be found; it will take us just a minute to get that. But built into the foundation grant is an amount as well for textbooks. It works out to about one million texts that can be purchased for that amount.

**Mr. Klees:** So in total, for textbooks the ministry has allocated about \$44 million.

**Hon. Mr. Kennedy:** I want to be clear on that number: \$44 million a year for every year, so under the life of these contracts, for example, that money, because it was saved directly because of the entitlement for teacher development accounts, is about \$164 million. That \$164 million is for textbooks, because it's \$44

million every year, which saves directly because of how that was done.

**Mr. Klees:** How much have you allocated for reducing class size?

**Hon. Mr. Kennedy:** For reduced class size, the allocation to date is \$180 million a year. The eventual cost will be \$370 million per year. Again I'll emphasize, for comparison purposes, it's \$180 million per year.

**Mr. Klees:** My reason for asking those questions is to compare the \$44 million the ministry has allocated for textbooks, the \$180 million for reducing class sizes for which you get new teachers into the classroom, and you're dedicating \$80 million of taxpayers' money to school boards over which you have no control, no accountability mechanisms whatsoever from the ministry's standpoint—

**Hon. Mr. Kennedy:** Sir, you stand completely in error.

**Mr. Klees:** —and that money is to be spent by the school board.

Let me ask you this question: Will you also provide to us, then, the amount that has been paid out by each school board under this \$80-million program? I'm not sure what to call it. Can you provide us with that? You're going to tell us how much you have transferred to school boards. Will you table for us how much has been paid out to date under this program, school board by school board?

**Hon. Mr. Kennedy:** We will do that when boards have expended the money. We're in the middle of a school year. Obviously there are records that are filed by the board. They give us revised estimates and so on. What you're asking for, I think, are complete records. Once all those arrangements are complete, there will be a reckoning and we'll be able to provide that information.

I just want to say for the record that your characterization of this is simply not borne out. There is accountability for these dollars the same as any other dollar that's transferred from us to the school boards, to hospitals and other like. It just happens that this serves a particular purpose. You are obviously against those employees getting some help with their expenses. We think it was a good bargain for the province. That's maybe where we differ. We shouldn't differ in mischaracterizing it—

**Mr. Klees:** No, Minister, I'll tell you—

**Hon. Mr. Kennedy:** —because those dollars are being provided in a proper fashion.

**The Chair:** Minister, I didn't intervene and rule on the notion of a slush fund because it's not your slush fund. It's now in the hands of the school boards. That's why I'm allowing it, because it's the school boards' prerogative. By definition, a slush fund is one that doesn't have parameters around it. So I'm allowing it. As long as Mr. Klees doesn't accuse your fund of being a slush fund, then I'm allowing this to continue, but I think we should proceed to move along with the questioning, if we can. We've certainly been exhausting this angle for some time.

**Mr. Klees:** I'm doing so for a reason, Mr. Chair.

**The Chair:** I didn't want to leave the word "mis-characterization" down there. You agree to disagree on how they're referring to it, but I'm not going to let Mr. Klees refer to this as your slush fund.

**Hon. Mr. Kennedy:** If I may, as a point, not of order, but it is close to a point of privilege: The slush fund in this connotation is, I would submit, in a broader sense unparliamentary. That would be my objection.

**The Chair:** First of all, you're not in a position to argue with the Chair; the committee members are. Secondly, I was very careful to say that he's not saying, "This is your slush fund." He's referring to it as the boards' slush fund. You gave it to them.

That is my ruling, and we'll leave it at that.

**Hon. Mr. Kennedy:** I'm not going to contest you, but I do believe all members' privileges are protected by the Chair.

**The Chair:** I see a hand.

**Mr. Leal:** Could I ask you a question, Mr. Chairman?

**The Chair:** No.

**Mr. Leal:** On a point of order, then.

**The Chair:** If you have a point of order, I will listen to a point of order, but the minister was seeking a ruling from me and I gave him one.

**Mr. Leal:** On my point of order, it's my understanding that the term "slush" used in any sort of connotation in the chamber is always classified as an unparliamentary word that—

**The Chair:** No, the word itself is not unparliamentary.

**Mr. Leal:** Can I finish?

**The Chair:** I'm ruling, in the interests of time. I've heard your objection. You're asking how it's ruled in the House. In my 21 years in the upper chamber, I will tell you that the words "slush fund" have been used. In this particular instance, it is a slush fund that school boards have. I've made my ruling. If you want to challenge the ruling, then fine. But let's move on. Thank you.

Mr. Klees, you have the floor back.

**Mr. Klees:** How much time do I have left?

**The Chair:** Fifteen minutes.

**Mr. Klees:** Minister, I'd like to return to a matter that is of great concern to me and, I know, to parents across the province, and that's the issue of special education. I'm going to read into the record an e-mail I received today. I'm going to read it into the record because I think it's important information and I trust it will get your attention. I'm not going to read into the record the name of the individual, for obvious reasons. It reads as follows:

"My child has a severe auditory and language disorder, yet received no services from a speech-language pathologist from the board. I had to pay privately. In grade 3, the principal told me that if they were to continue to get an EA for my daughter, they would have to change her exceptionality to autism. But in grade 5, a new principal came and then she started treating her as if she was autistic. When I complained in grade 6, the school board said they were going to have a psychologist deem that she was autistic, even though I had all the



reports from all my daughter's doctors that she wasn't. Of course, the psychologist said my daughter was autistic, at 12½ years old, but after threatening her with a lawsuit, she backed down.

"My daughter was illegally removed from school two years ago, and when I contacted Mr. Kennedy three months later, I received a phone call from one of his assistants and was told that there was nothing they could do. It was a board decision. All they did was supply money.

"At the start of grade 7, the new superintendent of the board told me that my assessments for my daughter were not acceptable any longer, as they were too old, that everything they had done with my daughter was proper, and I told them to go to hell. A child's diagnosis very rarely ever changes, so a diagnosis of developmental dysphasia at 2½ and at 12½ would be the same at 50½.

"If you would like to hear my daughter's complete story, I have the documents from the school and my daughter's OSR and the evidence of professional misconduct on behalf of the principal attendance counsellor with the board," etc.

Minister, I read this into the record because this is only one of many such e-mails and letters and visits that I have had in my office from parents who are having serious concerns about how their children are being treated by the public school system in this province, children with special needs, the most vulnerable in our society. I read this into the record because what is very concerning to me is that there is a reference here that when they contacted your office, your office replied by saying there is nothing you can do. I continue to hear that time and again.

I'd like to ask you this very simple question: As Minister of Education, do you not feel that you have a responsibility to look into these matters, to determine whether or not there is in fact a serious problem in a particular school, under a particular circumstance, or do you think it's appropriate for you to wash your hands as Minister of Education and simply suggest to parents that there's nothing you can do and this is someone else's problem?

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**Hon. Mr. Kennedy:** I would say to you, sir, that we have always endeavoured, and the phone call at least—I can't speak to the accuracy of the rest of what you related, but we do try wherever possible in the minister's office, the district offices of the ministry, to help individuals who haven't been able to find satisfaction from the school boards, even in areas of their statutory responsibility. Sometimes we're successful; sometimes it does turn out that there's a determination that's been made which is according to the rules that have been done. We're not running the assessment system itself, but if people have not received fair treatment—and we're looking very closely at how to ensure a greater, broader level of accuracy in terms of what's done out there, better responses. There will be times when the resolution of that is not the best resolution, yet that is what the system is

offering. In most cases, we do make a very significant effort to ascertain whether that's the case. I can't tell from your description, and if the individual involved is agreeable, we can look at that and I can give you a better response even on a general basis in terms of what was done there. Your general characterization is easy to respond to: We do try to respond to people wherever possible.

There are some legal processes that involve the local SEAC or an appeal to the IPRC. Sometimes people are in the midst of those, and sometimes that can preclude even a formal intervention. But I would be clear that we do believe that everyone in the system, including me and my office, have an obligation to provide some compassionate response to anyone, particularly those who have children with extra challenges. We do it dozens of times a week; we'll continue to do it to the best of our abilities. If there's an instance here where you have independently assessed it, you've looked at it, and you believe strongly that there are objective issues here, or if that's the feeling of the parent, we're happy to look at it again and see whether we made a mistake in terms of what we can do and indeed to see whether we need to be encouraging the boards to do their responsibility.

Ultimately, there are rules governing some of the allocations of these resources, but, generally speaking, the bottom line is that the boards should find the best answer possible for these students, to have them in school and receiving the best kind of support. The IPRC, which is the formal way that someone makes a determination—I'm sorry, the initials escape me right right now; the identification, placement and review committee—is appealable by parents. In other words, that's where someone gets a designation and that decision is appealed. There have been problems in the past—and I note the chronology you gave means the student was in school under your government. I know there have been instances where maybe the person wasn't notified soon enough or indeed they didn't feel they got a full and fair hearing, but that's one thing that does exist.

The reason I'm saying it is that I'm hoping other people listening will avail themselves of that process. I'm saying to you, if the process has been exhausted, we are prepared to try and find and give people the best advice. If the system, for some reason, isn't able to deliver, if it's not the best news or not exactly what the parent wants—for a good reason, it may not be the best news that the parent wants—we will be honest with them. We will provide that.

**Mr. Klees:** So what I hear you saying, Minister, is that you are prepared to meet with parents who have a problem, who are frustrated, and whom the system is failing. You're going on the record to say you recognize that that's your responsibility as a minister—and you will not shut your door to parents who want to appeal to you directly—to use your authority to intervene. Is that correct?

**Hon. Mr. Kennedy:** No, that's not correct. I want to be very clear. What we're talking about is a compassion-



ate response. The Minister of Education, under any government, in any practical way, can't be the resort of appeal for special education or other decisions of school boards. There are some 280,000 students receiving exceptional services, and that would neither be practical nor would it be fair to hold out to parents. But when there are exceptional cases—and we can determine that; we have staff in my office and in the field offices—we give that a compassionate going-through. We try and give them the best advice and guidance in the system. We intervene with the system to make sure it gives its most proper response. That is done time and time again, and that needs to be there. There need to be safety valves, but it is not the same as the minister being the person who can be appealed to for decisions formally, and I want to draw the distinction—

**Mr. Klees:** We're not talking about that. I'm not talking about that.

**Hon. Mr. Kennedy:** That is what you said, with all respect.

**Mr. Klees:** No, I'm talking about appealing to you to hear a parent describe to you what the circumstances are that they are going through, the pain they're suffering, and to have you open some doors for them and facilitate some responses and some answers. I don't know what government you're dealing with here. I can tell you, I've been a minister in a couple of portfolios. I certainly met with constituents who had problems and concerns with the system. I welcomed that kind of input so I could deal with the problem.

**Hon. Mr. Kennedy:** With all respect, we filled the galleries with people who couldn't get a hearing from your government. Frankly, I'm hoping you're not trying to tell us that somehow there was a system in place under your government that dealt with some of these difficult cases. You only have to look at the funding line to see that it was a refusal, a refusal and a refusal on the part of your government on behalf of special-needs families. There were less and less dollars available every year under your government until the last year of your government. You never kept up with inflation and you never made sure these people got a proper response. Every time you were asked, you pushed it off on to the boards.

**Mr. Klees:** Minister, your arrogance is profound.

*Interjection.*

**The Chair:** You're done? Mr. Marchese.

**Mr. Marchese:** Minister, thank you with respect to the information around the \$240 million and your interest in helping me get the breakdown of how those \$240 million were spent. Because you spent \$240 million more on special ed since 2004-05 and 2005-06, if I could have the yearly breakdown, that would be helpful. Is that OK, a yearly breakdown as well?

**Hon. Mr. Kennedy:** Yearly breakdown—this year?

**Mr. Marchese:** You said you spent \$240 million more on special ed since you took office.

**Hon. Mr. Kennedy:** Yes.

**Mr. Marchese:** Could we have a breakdown for the first year and then the second year in terms of how much you spent one year and the next?

**Hon. Mr. Kennedy:** Yes. We can also show you how much was actually spent by the boards, because that's what's needed for a full picture.

**Mr. Marchese:** Good. Thank you.

Now I'd like to look at the amounts of money you have subtracted from the system. In August 2004, you took \$83 million. Last time I asked about these \$83 million in estimates, you said you took them because these funds had been the result of an accounting error by the previous government, and I'll talk to you about that in a few minutes, but first, I want to assert that you did in fact take the money. Will you now finally acknowledge that you took back \$83 million from special education reserves?

**Hon. Mr. Kennedy:** What we did was leave the money with the boards, but required them to spend it. So we debited it against the board's entitlement because we believed that was a legitimate use of those funds, but it wasn't actually taken back or removed from the board. The board was required to spend it on special education needs in their own board that year. They simply accrued a surplus because of the way they were paid by the previous government, late in the year when they couldn't spend the dollars where they were supposed to go.

**Mr. Marchese:** I would say that you clawed back \$83 million from special education reserves, and in my mind these are \$83 million less than the boards would have had to spend on special ed. So if you put in \$240 million—

**Hon. Mr. Kennedy:** Again—

**Mr. Marchese:** Here's the question: If you put in \$240 million and you took back \$83 million, you have actually put in a total of \$157 million, is that correct?

**Hon. Mr. Kennedy:** No, because, Mr. Marchese, and I'll say this just because—I'd be very happy to provide you with an accounting of this because it is hard to discuss numbers, but only for this reason: When you talk about \$83 million being debited to the boards, which is what happened, that was one-time. Every single year we're providing \$240 million. In that one year where the \$83 million was debited, and because you've asked quite correctly to see year by year how we build up to the extra \$240 million, every single year there was a one-time debit and so it is not appropriate to take a one-time debit and say that lessens. The amount of money we're paying this year is, frankly, more than \$240 million more than what we were paying the year before we came in. So that doesn't change that fact in the least, and the answer is no to your question.

**Mr. Marchese:** OK. So you are stating clearly that you spend \$240 million or more every year, and you're stating clearly that the \$240 million is additional to, and the \$83 million you took back from the boards is in addition to the \$240 million. Is that correct?

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**Hon. Mr. Kennedy:** We neither took it back, nor does it count against what you're describing, which is the money we spent this year. The dollars that were debited to the boards were last year. It changed some of their cash flow; they still spent as much money. But some of it

they took from this large account. There used to be \$9 million in the whole of Ontario, then it became \$100 million. Eighty three million dollars of that got debited, and it all got spent in subsequent years, and now it has shown up as extra spending.

**Mr. Marchese:** Are any of the new funds, which you calculate to be \$240 million—which we say is only \$157 million—actually effectiveness and equity fund money?

**Hon. Mr. Kennedy:** Not any more, no. Those funds were disbursed in terms of a total amount. Sorry, this year there's a portion of the \$40 million—I'm not sure what was remaining; \$12 million, efficiency and effectiveness fund left over at the end of last year?

*Interjection.*

**Hon. Mr. Kennedy:** I'm just checking that for you.

**Mr. Marchese:** Because a "no" or a "yes" have different questions.

**Hon. Mr. Kennedy:** Eighteen million dollars out of that total net increase today—just \$18 million—is provided by the one-time fund that we talked about. But I will say that next year, it won't be. In other words, it's a one-time impact spread over these two fiscal years, and then next year our commitment will be an ongoing one.

**Mr. Marchese:** OK. So the answer I'm getting, for clarity, is that this funding, \$18 million, actually does come from the money you took from the boards; they're not new funds.

**Hon. Mr. Kennedy:** Actually, in effect, the \$18 million is on top of that. It's \$18 million on top, sorry.

**Mr. Marchese:** That comes from that effectiveness fund?

**Hon. Mr. Kennedy:** Yes. So we're up \$240 million in annual funding. The one-time funding is on top of that. Again, I'm very happy, in terms of dealing with these numbers, to give you the numbers on paper. I wouldn't even estimate the large number of people listening who need the clarification. We'd be happy to send that out to people who would like to see how this was done, and they would see, indeed, the dollars grow.

**Mr. Marchese:** I would be very pleased, because part of what we're trying to get at is that you clawed back some funds, and they were announced as new money.

**Hon. Mr. Kennedy:** Not at all. I think you'll find, when you see the piece of paper—in other words, the representation of that—that that's not the case. We've increased the funding. We did it in an intelligent fashion. We went to boards that had dollars that they intended to keep in their bank accounts and we said, "No, not when there are these needs. These students should get the help instead," and we required them to spend those funds.

**Mr. Marchese:** OK. Do you still claim that you took \$83 million back because they were an accounting error by the previous government?

**Hon. Mr. Kennedy:** Yes. I think that's a fair way to characterize it.

**Mr. Marchese:** I'm reading the criteria you set up to give the effectiveness and equity fund money back for 2004-05. It is detailed in a memo dated June 29, 2005, by Peter Gooch, director of education, finance branch of the

Ministry of Education. You're all familiar with it, I'm sure. Criterion 1 reads, "Amounts placed in special education reserves in 2002, 2003 and prior years from revenue other than special education." You set up this criterion to give the money back to boards. It seems to me that if boards had legitimately placed funds in special education envelopes from other funds, you took it, and now you're giving it back. It was you that made the mistake when you took those funds. That's not correct?

**Hon. Mr. Kennedy:** Again, the funds were never removed. The funds were left with the board, and what we did was, we debited the boards, in this case, because they brought to our attention that there were different kinds of sources for that. Again, the amount was \$9.8 million, and then they were credited for those funds. The funds never left the board, and once we checked their claim that this indeed was the source of the funds—because it didn't fit the policy of, as you say, the error in terms of the cash flow—then they were given to the boards to use.

**Mr. Marchese:** OK. So let me read criterion 2; I'm assuming your logic will be the same: "Expenditures from 2002-03: special education reserves that were made during the 2003-04 school year and approved by the board prior to July 1, 2004." In this case, the money clawed back was actually money approved and spent on special education before 2004. Boards had to apply twice for the money they spent on special education: You took money already spent. It was you who made the mistake and clawed back special education funds.

**Hon. Mr. Kennedy:** Again—

**Mr. Marchese:** You say that's not true?

**Hon. Mr. Kennedy:** It's not true. Effectively, all these were accounting arrangements that confirmed to boards what they were told when the fund was put in place, which was, "We made this assumption, we will check against these criteria, and if those are dollars that you've spent by board resolution beforehand, that's certainly not going to be eligible for what we're talking about." Just to be clear, a number of the board were able to spend their funds, because they spent them in advance. It's those that didn't that had the dollars sitting in surplus bank accounts.

**Mr. Marchese:** Criterion 3 reads: "Net new high-needs students." For that criterion, you gave back \$46 million in 2004-05. Those funds have been legitimately spent by boards of education in meeting special education needs, but they had to apply for it back. If the money was spent on meeting special education needs, were these accounting errors?

**Hon. Mr. Kennedy:** No, they're not accounting errors. What we're talking about is essentially that that's the amount of money that then didn't have any other claims. We really, really stretched things to make sure we were being scrupulously fair to boards, and therefore, if they had made a commitment, even though we had given them some notice in March that they wouldn't necessarily have these funds to use from their surplus, even at that, we still let them claim those funds. Further, if they



had put previous dollars in, even though there had been no provision before for surpluses, we let them keep them. So it was being extra careful to be fair to boards. But the \$46 million is the result of what we think is a fairly intelligent use. Money that would potentially still be sitting in the bank was used instead to increase the amount of funds to students who needed it.

**Mr. Marchese:** Thank you. So in August 2004, you took \$83 million because boards were not using that money and it was languishing in reserves. You said that "the money was just hanging out in bank accounts." You gave back a total of \$65 million under all three criteria. Thanks to your clawback, boards had to reapply to get the money back. All that the criteria prove is that you took money that the boards of education spent on special ed. It seems to me that boards were right when they said they needed the funds for special ed, and your numbers were wrong when you said the money was languishing in reserves. Would you agree or disagree?

**Hon. Mr. Kennedy:** No, I would disagree, because essentially the boards that spent \$9.6 million may have paid for that out of another account, but we felt it was scrupulously fair to give it to them. The other boards only spent the money because they knew we would cover their costs from this fund and that this fund existed. They applied for it, they were eligible for the expenses and they had them reimbursed, exactly as the fund was designed to do. What it did was take \$46 million that wouldn't have been spent on behalf of special-needs students and make sure they got services.

**Mr. Marchese:** I have another special ed question before I move on to other questions. Concerned parents have brought to our attention that high-needs students are being segregated from regular classrooms, without an analysis of undue hardship done by the boards of your ministry. An analysis of undue hardship as mandated by the Ontario Human Rights Code would entail a financial analysis by the institution doing the accommodation. Students should be not be segregated from the classroom unless the ministry or the boards prove that it would cause undue hardship to keep them in the classroom. On behalf of these parents of students, I want to ask you: Are you moving on this, or when will you move on this?

**Hon. Mr. Kennedy:** Again, you have some differences in terms of a broad provision from the Human Rights Commission and practices and procedures in schools. Generally speaking, parents and the school will agree what is the right placement for students. We want that there will always be a chance to be included, wherever that's practical in the interest of students.

There is, unfortunately, sometimes a disagreement in terms of what's working best or what will happen. We have a large number of students in inclusive environments. I think we're getting better and better at how to make those environments work, but there are also some—some by choice and others simply because that's what boards have found they can provide for that student—which are not. So there is a board-based policy and there's a provincial requirement to try and provide

the best education. Up to now, essentially the decision on the best education, wherever possible, has been a shared one between the board and the parents, and sometimes it's in conflict. The obligation on the administrators is to make sure the best education is provided to the student concerned.

**Mr. Marchese:** It has been clear for a number of years, and in numerous reports, that the central flaw in the funding formula for elementary and secondary education is the underfunding of the benchmark costs for employee salaries and benefits. Many boards indicate that the gap between the teacher's salary and the funding which is provided is the same as that during the Mike Harris years. Is the government going to finally bring the funding formula up to date?

**Hon. Mr. Kennedy:** I appreciate the way you ended your question, because I can affirm to you that we'll bring the funding formula up to date, but the premise of your question is inaccurate.

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What we did, because boards were in negotiations, was not put extra money into the salary line—the previous government did that and ended up with fairly high settlements in a lot of the province. When the dollars went into that particular line, board salaries were being paid and it was other budget lines that went missing. Instead, we put more than Dr. Rozanski said should be in the rural line, for example, and we put more than Dr. Rozanski said in the urban or learning opportunities grant, because we knew that those were the kinds of places from which boards were making up the difference. When you look at the broad investment the government has made, we have put in, net of inflation, effectively all the investment that Dr. Rozanski asked for. It went in in slightly different places, but it was under the control of boards to use to make up that gap.

So there will be differences. We are sitting down now with boards to reconcile the differences and see how well that worked. But we think, again, that it was a very useful way of achieving the purpose of getting investment into the system. What you're talking about in terms of the gap is actually made up, in most cases, by these other over-filled grant lines.

**Mr. Marchese:** A student's success in school includes the assistance of many different services, from the front-line teachers and teaching assistants to other professional support staff and the staff who support the school itself. The numbers of support personnel are being reduced beyond what declining enrolment would dictate. Are you concerned? Are you going to do anything about it? Are you doing something about it?

**Hon. Mr. Kennedy:** In fact, our estimate for increased staffing is about 11,000 new staff since we came into office. The vast majority of those are support workers. I would again say that it's not factually correct to say that there has been a decline at all; in fact, there has been a large increase. One example would be in terms of education assistants. About 4,000 more education assistants have been hired in the last two and three



years, and that is essentially providing the higher level of service we've been funding, the \$2-billion investment; I have to give you the facts in response to the premise.

**Mr. Marchese:** So when I hear you often talk about 1,100 more teachers, is it my mistake when I hear "teachers," or did you mean staff?

**Hon. Mr. Kennedy:** I said 11,000, and 11,000 is the total number of staff.

**Mr. Marchese:** Eleven thousand new staff—is that what you said?

**Hon. Mr. Kennedy:** Right.

**Mr. Marchese:** Eleven thousand new staff since you came into office, and the majority of them are support workers. Am I correct?

**Hon. Mr. Kennedy:** Yes. The majority of the new staff in place in schools are support workers. They're paraprofessionals, school secretarial, custodial and maintenance and so on. Teacher assistants is a very high-growth category.

**Mr. Marchese:** Since you came into office, how many more support staff are there than there were under the previous regime? Do we know that?

**Hon. Mr. Kennedy:** We'll have to get you that, because it would require totalling the various categories we have. Unfortunately, I can't give that to you right off the top, based on the information I have in front of me, but I'll ask someone to put those categories together, because that would be helpful to know.

**Mr. Marchese:** That would be very helpful, actually.

**Hon. Mr. Kennedy:** Sure.

**Mr. Marchese:** One of the promises you made when you were in opposition was to create a standing committee on education finance. I must admit I was excited by that promise, and I think a lot of people were excited by that promise, because it would give them a sense of oversight, of overview. It would give them a sense of how those things would be debated and questioned every year. It would give them a sense of possible transparency and clarity, that they would be able to challenge the government on a regular basis because facts would be pouring out through such a committee. What do you make of the inability of your government to keep that promise? Or maybe you are.

**Hon. Mr. Kennedy:** I appreciate the hopefulness in the last part of your question, because we do intend to provide an opportunity for the Legislature to look at what's happening in education. I think you're aware, as someone who closely monitors the situation, that we have brought about a lot of beneficial reforms. We've focused those first on students, rather than on the Legislature. We've spent a lot of time bringing in new programs for healthy schools, for student achievement and so on. It's frankly something we're still working on and something we still intend to bring to fruition.

**Mr. Marchese:** Exactly. That's the point I make. People would be excited to review your reforms, your new programs, your healthy schools. They want that, and they want to be able to—

**Hon. Mr. Kennedy:** If it would allow us to spend more time together, Rosario, I've got to say that this is something we should probably move up the agenda a bit.

**Mr. Marchese:** You see, we can do it. We couldn't do it with a lot of Tories when they were in government.

**Hon. Mr. Kennedy:** This is a good one to bring up in estimates.

**Mr. Marchese:** It's possible. You never know. I don't want to give up on you, obviously. What you're saying is that you are reviewing the possibility of having a standing committee on education finance and that it's being talked about.

**Hon. Mr. Kennedy:** I wouldn't restrict it to education finance. I think that when we put in our platform—

**Mr. Marchese:** Sorry; what was your promise, so I'm clear? I don't want to misquote.

**Hon. Mr. Kennedy:** You should just read it. It's in the platform.

**Mr. Marchese:** Tell us.

**Hon. Mr. Kennedy:** A standing committee on education is what we talked about.

**Mr. Marchese:** That's what I said, isn't it?

**Hon. Mr. Kennedy:** I think I heard the words "education finance."

**Mr. Marchese:** Standing committee on education.

**Hon. Mr. Kennedy:** I'll rely on Hansard for that.

**Mr. Marchese:** OK.

**Hon. Mr. Kennedy:** I think the main thing is that there are lots of things that could beneficially be discussed, given the opportunity to understand here at the Legislature what happens around the province as well, in terms of the two million kids in the 4,800 schools we have.

**Mr. Marchese:** Yes. When in the future might this possibly be happening? I want to be optimistic, obviously.

**Hon. Mr. Kennedy:** I want to tell you to sustain that optimism; I think you'll do it in any event, because I detect that note in a lot of what you're bringing forward. I think it's well warranted—

**Mr. Marchese:** You know I'm going to bring it up next year, right?

**Hon. Mr. Kennedy:** All I can say is that that optimism is well warranted and we'll continue to work on it.

**Mr. Marchese:** If I ask you next year and nothing happens, it'll be a disappointment, right?

**Hon. Mr. Kennedy:** Therein lies yet another motivation to try to get this coming forward more quickly. It's one of a number of improvements. I think we've now got a pretty good track record of making these things actually happen, and this is one that I hope will come to fruition as quickly as possible.

**Mr. Marchese:** By the way, Mr. Kennedy, I'm asking the government members on this committee to help me, because I can't do this alone; you know that. I need their help.

*Interjection.*

**Mr. Marchese:** OK. I'll remind you from time to time.

I have a final question. For reasons of efficiency of service, coordination of programs and liability and safety of students, does the government agree that all employee groups providing services to students in the school environment must be employees of the school board?

**Hon. Mr. Kennedy:** Many of the detailed management issues of education are not determined provincially, and that's one of them. There's the ability of boards—for example, I don't believe that most private bus operators employ staff that are employees of the union.

We see schools as school communities. We would encourage the coexistence of staff who are attached to that school. We see that as a good model. In fact, we've asked to sit down with some of our representative organizations to see how that whole idea of a learning community that makes schools both safer and more efficient could maybe be brought into a provincial policy. But the answer to your question is that there isn't a provincial policy like that yet.

**The Chair:** Thank you very much, Minister, and thank you very much, Mr. Marchese.

By agreement, we have reached the conclusion of our estimates, and I would now like to call the votes.

Shall vote 1001 carry? All those in favour? Opposed, if any? That is deemed carried.

Shall vote 1002 carry? All those in favour? All those opposed, if any? That is carried.

Shall vote 1003 carry? All those in favour? Opposed, if any? That is carried.

Shall the estimates of the Ministry of Education carry? All those in favour? Opposed, if any? It is carried.

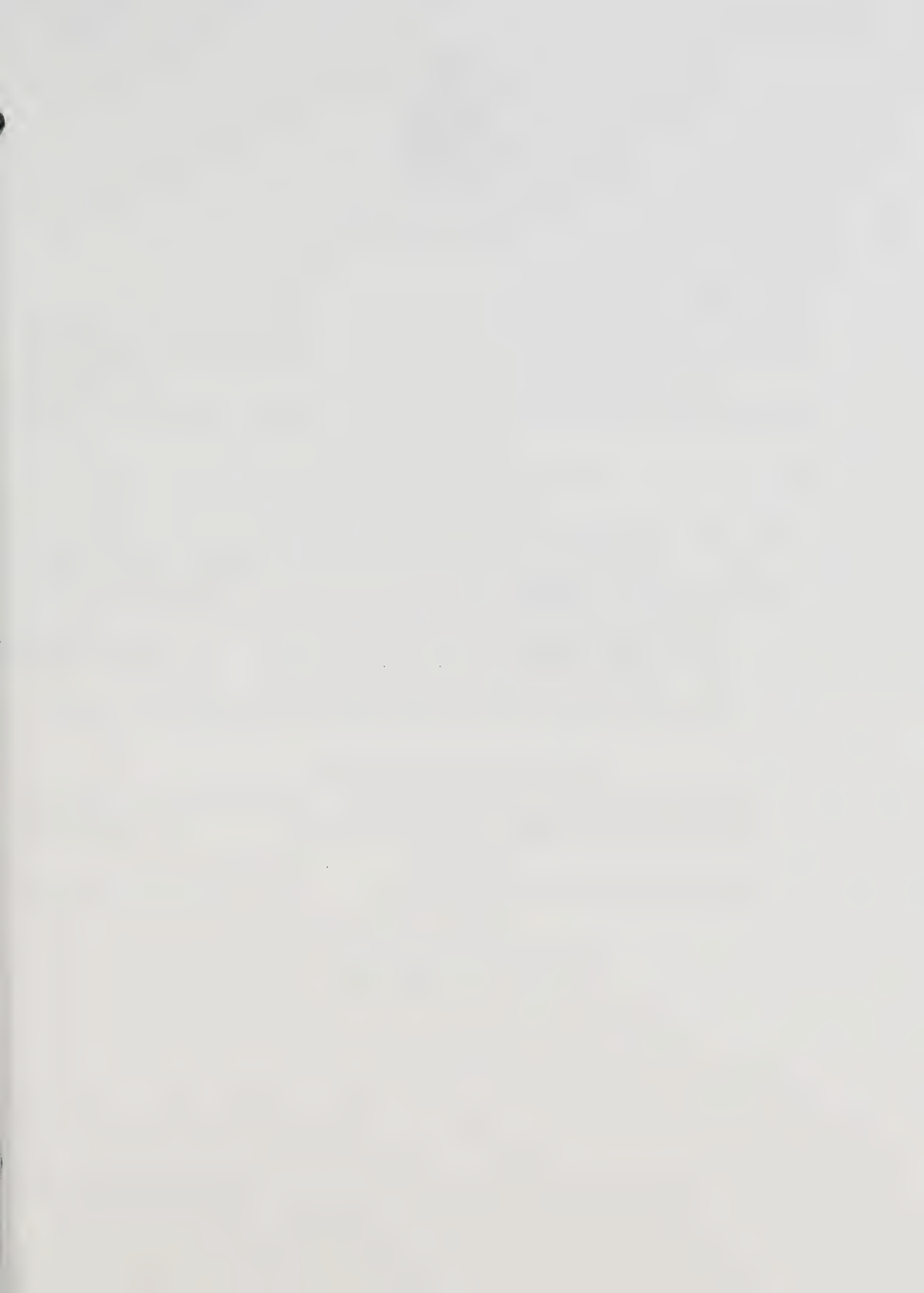
Shall I report the estimates of the Ministry of Education to the House? All those in favour? Opposed, if any? That is carried.

Thank you very much, Minister, to you and your staff for your responses. We do have some outstanding ones, and I know you'll get those to our clerk as soon as possible. We appreciate that.

**Hon. Mr. Kennedy:** Thank you, Chair.

**The Chair:** This meeting stands adjourned until tomorrow immediately following routine proceedings, at which time we will begin the estimates of the Ministry of Energy.

*The committee adjourned at 1748.*





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## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 16 November 2005

# Journal des débats (Hansard)

Mercredi 16 novembre 2005



**Standing committee on  
estimates**

Ministry of Energy

**Comité permanent des  
budgets des dépenses**

Ministère de l'Énergie

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 16 November 2005

Mercredi 16 novembre 2005

*The committee met at 1541 in room 228.*

## MINISTRY OF ENERGY

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates. We are here to do the estimates of the Ministry of Energy. We're pleased to welcome the Honourable Donna Cansfield and her ministerial staff.

Before I begin, I want all members to know that there is now a second set of responses that are a year old. This is the second one we've had. The first one was from the Ministry of Education, and this is now from Energy.

Minister, normally I get a little exercised about this because it's very rare that this ever happens, so I won't necessarily put many comments on the record. They are for Mr. Duncan, they're not for you, but your staff is present, and they are either unable to perform these tasks in a timely fashion or they're instructed not to. That is always left to our imagination, unfortunately. But I do want to say that several of the new ministers have provided us responses in a very fast time frame. Ms. Chambers comes to mind, and I'm very pleased to say that because she and her staff performed very well.

At the end of this process today, you will have some questions that will be left open and remaining, and I would hope that you bring a similar kind of stamp to your ministry, as Ms. Chambers has been quite successful with her new ministry.

With those words, I would like to welcome you, Minister. The process is clear. You have up to half an hour to make your presentation, and then we will move to the official opposition, and then the third party. We welcome you. Please proceed. We're in your hands.

**Hon. Donna H. Cansfield (Minister of Energy):** Thank you, Mr. Chair. I'm pleased to be here. I will endeavour to be as swift as Minister Chambers in responses to any question.

Good afternoon, Mr. Chairman and members of the committee. I am pleased to have the opportunity to present the Ministry of Energy's estimates and to share with you some significant results that the ministry has achieved over the past 12 months, as well as its key initiatives going forward.

Energy, and notably electricity, is an important part of our infrastructure, an important competitive factor in our economy and critical to the quality of life in Ontario. The

energy sector employs 75,000 individuals and is an important contributor to Ontario's GDP.

I'd like to take a moment to recognize the valuable service to this province and to the government of the staff of the Ministry of Energy. With 123 full-time equivalent staff and a budget that represents only 0.03% of total government operating spending, the Ministry of Energy is one of the smallest ministries in the Ontario government. At the same time, our mandate is also one of the government's top priorities.

Both in my former role as parliamentary assistant and today as minister, I continue to be impressed with the quality of work and dedication shown by ministry staff, and I remind committee members that this excellence and volume of work is being undertaken by a ministry with comparatively limited resources.

Several members of the ministry team are here with me today, and I would like to introduce them. They are James Gillis, the deputy minister, Jeanette Dias D'Souza, the assistant deputy minister of consumer and regulatory affairs and corporate services, and Rick Jennings, to my left, the ADM of energy supply. Rosalyn Lawrence is with us as director of consumer and regulatory affairs, and to my right, Tony Rockingham, the ADM of conservation and strategic policy.

I would also like to take this opportunity to acknowledge and thank the Honourable Dwight Duncan for the tremendous leadership he has shown as Minister of Energy until assuming his new role as Minister of Finance. He set in place many of the initiatives that I will speak about today.

Our overall goals haven't changed much since Minister Duncan spoke to this committee last year, but we've made significant progress in all areas. We remain focused on achieving results in five key areas. These are: creating a strong conservation culture among Ontario consumers; eliminating the gap between supply and demand; increasing consumer and investor confidence in our energy sector; aggressively developing renewable energy; and cleaning up our air by replacing coal-fired generation.

In short, our energy plan for Ontario consists of three key components: building new generation capacity, maximizing our existing generation and transmission assets, and creating a culture of conservation. I'm pleased to report to the committee that we are making substantive progress in all of these areas.

But before I outline where we are going in this province, I'd like to start with where we were just a few years

ago. There's no point in mincing words. The fact is that our government inherited this mess in 2003. In the 10 years leading up to the last election, there was no plan for new electricity generation, no plan for energy conservation, no plan to address the growing need for new electricity transmission facilities, no strategy for managing our existing assets, no accountability, transparency or oversight over our crown corporations, and absolutely no leadership whatsoever. Over those 10 years, electricity demand grew by 8.5%, and meanwhile our capacity fell by 6%.

I'll spare you the long version on market opening, price freezes and price caps. The short version is that the previous government flip-flopped 11 times, eventually closing the market. Those ill-advised schemes wound up costing ratepayers and citizens in Ontario \$1 billion.

Unfortunately, the mistakes of the past have left us with an even more significant challenge to meet today's needs. And what about tomorrow? With a growing population and a strong economy, electricity demand will continue to rise every year. Taking into account both our current needs and our growth, over the next 15 years we need to build, refurbish or replace almost 80% of the system. That's almost 25,000 megawatts of installed generating capacity. The good news is that we're well on our way to meeting new challenges. We have achieved a lot in just two years, and we are putting into place a sound plan for the future.

We're building new generation capacity. We're working swiftly to create a safe, diverse, clean and sustainable supply of energy, available at a cost that is reasonable and realistic. In just two years, our government has advanced projects that will provide us with nearly 9,000 megawatts of power by 2010—enough power for four million homes. In fact, there is no other jurisdiction on this continent that will create more new generation capacity than Ontario over the next five years. This is in addition to the more than 2,200 megawatts that have come on-line since October 2003.

We're opening up the energy sector to more wind, more water, more solar and biomass. We're also maximizing our existing major assets. For example, we're investing almost \$1 billion in a new tunnel to supply more water from Niagara Falls to the Adam Beck generating complex. This will add 1.6 billion kilowatt hours of new clean electricity for Ontario by 2009.

**1550**

As a further step in taking advantage of the impressive hydroelectric resources in Canada, Ontario is taking a leadership role in the development of an east-west electricity transmission grid. This development would reinforce and expand the country's electricity transmission infrastructure and increase Ontario's ability to supply its energy needs through clean, renewable hydroelectric power.

As a tangible step toward this goal, I was in Winnipeg on October 27 representing our province as we signed with Manitoba an agreement that will see that province transfer clean, renewable hydro power to Ontario starting

in 2006, through the clean energy transfer initiative, CETI. As early as 2006, Manitoba will supply 150 megawatts, increasing to 400 megawatts as transmission upgrades are completed in 2009. We are continuing to work with Manitoba concerning a second phase of the initiative, which would create a long-term clean energy transfer of up to 3,000 megawatts through construction of new generating facilities and transmission infrastructure in Manitoba.

To the east, we are working with Hydro-Québec and with Newfoundland and Labrador Hydro. A joint proposal submitted by Hydro-Québec, Ontario and SNC Lavalin was short-listed for the sale of hydroelectric power from the development of 2,824 megawatts on the lower Churchill River in Labrador and associated transmission through Quebec that would allow a transfer of approximately 930 megawatts to Ontario. If this bid is successful, Ontario would also pursue an HVDC link to Quebec, near Ottawa, that would allow the transfer of 1,250 megawatts of power between Quebec and Ontario.

The east-west power grids are important tools in helping Canada take full advantage of its energy resources and in meeting Canada's obligations under the Kyoto accord.

It is important that Ontario ensure a diverse portfolio of generation sources. To this end, we are also refurbishing our nuclear facilities where it makes financial sense to do so. Pickering A unit 1 is back on-line and on schedule, and an agreement has been reached between our government and Bruce Power on the restart of Bruce A units 1 and 2. It is a plan that will see Bruce Power invest \$4.25 billion in Ontario's economy, and which will see the creation of as many as 1,500 or more jobs in a community that is welcoming them.

In building new capacity, we're working hard to open the sector to renewable energy. Our commitment to renewable energy is an important part of our energy future. We have committed to ensuring that 5% of our supply is generated by renewables by 2007 and 10% by 2010, and we are well on our way to exceeding this goal.

Our government sees tremendous potential for alternative forms of energy. In fact, we're creating a brand new renewable energy industry in Ontario. In just two years, our government has created a green energy marketplace for business that will bring almost \$3 billion in new investment to Ontario and thousands of direct and indirect jobs. Through the Ontario Power Authority, there will be more opportunities for businesses in the future as we nurture this rapidly growing industry.

Increasingly, large wind turbine manufacturers are looking at Ontario as a hub for their growing North American operations. In fact, just recently, I had the pleasure of welcoming DMI Industries to our province. Their decision to locate their new wind tower manufacturing facility in Fort Erie is an investment in both the people and the future of Ontario. In making this announcement, DMI cited as a key reason Ontario's very supportive environment for wind energy. That is a statement that can only have been made about this gov-



ement. Construction at DMI is set to start later this year, with deliveries from the plant to start as soon as next summer. That plant will employ close to 100 people in the first year, with potential for expansion.

In the last few months, we have had groundbreakings for four major Ontario wind farms: Erie Shores, Kingsbridge, Melancthon Grey, and Prince Wind Farms. This summer, I attended the groundbreaking for the Melancthon Grey wind project near Shelburne. At the time of my visit to the Shelburne site, the first seven of the planned 45 turbines had already been erected.

When we came to office only two years ago, there were only 10 wind turbines in Ontario, totalling 15 megawatts of capacity. Today, as a result of our government's first renewable RFP and the responsiveness of the wind industry, Ontario has over 200 turbines and over 300 megawatts of capacity slated for completion over the next year. Wind proposals accounted for five of the first 10 successful renewable energy RFP projects and over 80% of the approved 395 megawatts.

When we include the other five approved water, landfill gas and biogas projects, the first RFP represented a total capital investment in our province of close to \$700 million.

The ministry has also received an overwhelming response to our second RFP for 1,000 megawatts of renewable energy, with 22 proposals totalling over 2,000 megawatts of renewable energy generation, more than double our request for enough energy to power 200,000 homes. We will also be issuing a third request for proposals for up to 200 megawatts of clean, renewable energy for projects under 20 megawatts. Combined, the government's three RFPs will help us meet our target of generating 1,350 megawatts of renewable energy by 2007. The growth of renewables is going to continue.

Wind power is the world's fastest-growing energy source, increasing in excess of 30% annually for the past five years, and it is projected that it will increase fivefold in the next eight years. I want to ensure that Ontario industry takes its place at the forefront of this development.

We are also opening up opportunities for all Ontarians to participate in producing green energy. The government recently finalized a net metering regulation that will allow consumers to connect their renewable energy systems to the grid and reduce their energy costs. Going forward, we will open up the opportunity for small businesses, homeowners and farmers to set up renewable energy systems that can sell clean power to the grid.

We've asked the Ontario Power Authority and the Ontario Energy Board to report back with a standard offer approach that will greatly reduce barriers that prevent the development of small, clean generation projects. Imagine a future where businesses, farmers and communities can take advantage of a whole new revenue stream.

On other fronts, as you know, the McGuinty government made a bold commitment to shutting down the coal-fired generation in Ontario, a decision that we did not

make lightly and to which we are profoundly committed. We closed Lakeview. Three of the four remaining coal-fired generating stations will close by the end of 2007. Seven units at Nanticoke generating station will close through 2008, and the last unit will close in early 2009. That will not change.

#### 1600

Many, many studies have been done over the years which conclude that air pollution has a very negative impact on people's health. These include studies by: Health Canada, the United Nations, the World Health Organization, the Ontario Medical Association and other health organizations, Environment Canada, the city of Toronto, and by our own environment ministry, among many other environmental organizations. The conclusions drawn within these reports have never wavered: the health impacts, the environmental impacts, including air pollution and climate change, are devastating.

Even so, in making our decision to replace coal with cleaner sources of generation, we commissioned an independent study to fully examine the impacts of coal and all of our options going forward. This report clearly demonstrates the relationship between increased air pollution from coal generation and its impact on Ontarians. Based on this work, here are some of the numbers that we all need to consider when we talk about the true costs of coal generation in our province: 668 premature deaths per year; 928 hospital admissions per year; 1,100 emergency room visits per year. The report pegged the annual financial, health and environmental costs of coal-fired power at \$4.4 billion annually, significantly higher than all other electricity generation options, such as gas-fired generation, renewables and nuclear. Recognizing the true costs of coal to our health care system and our environment, there truly is no other responsible choice. That is why we are replacing coal-fired generation with cleaner, greener, affordable energy.

Before I leave the topic of supply, I want to spend a few moments on one fundamental issue regarding our supply of electricity: the future of nuclear energy in Ontario.

We have asked the Ontario Power Authority to develop an integrated 20-year plan to meet Ontario's power needs. That plan will serve as a road map for this government and future governments on the investments that are needed to boost supply and our transmission capacity. As part of the review, we have asked the Ontario Power Authority to seek the best possible advice on the issue of new nuclear power generation, so we can move forward judiciously when it comes to nuclear energy in Ontario. This approach makes a great deal of sense. In fact, one of the first actions that this government took was to take the politics out of electricity pricing and planning, and to put sound decision-making back in.

Moving forward, with Bill 100, we ensured that four independent institutions would be responsible for key aspects of our electricity system. We made the Independent Electricity System Operator, the IESO, more



independent and gave it the responsibility to ensure our system and supply is reliable. We charged the Ontario Energy Board with developing and implementing fair pricing. That took the politics out of electricity pricing.

We created a conservation bureau and gave a newly appointed Chief Energy Conservation Officer a mandate to fully exploit opportunities for conservation and to develop province-wide programs that will help businesses and communities save.

Lastly, we created the Ontario Power Authority. The OPA's mandate is to develop an integrated 20-year plan for conservation, supply and transmission that will ensure we meet Ontario's ever-growing power needs.

We told the OPA to build the plan on the facts, not politics. Through their efforts and those of this government, at last Ontario will have a system and a plan for a sound, sustainable energy future. This is something that hasn't been in place since 1989.

A critical part of ensuring that sustainable energy future is creating a culture of conservation in this province. As parliamentary assistant to the then Minister of Energy, I had the privilege of leading efforts to move forward on conservation. I was pleased to chair the conservation action team and to establish a strong relationship with Ontario's active and committed conservation community. As minister, I can assure you that my own commitment to conservation remains just as strong and that conservation will continue to be a key element in the government's energy plan.

This government has set a goal to reduce Ontario's peak electricity demand by 5% by 2007. We are also committed to showing leadership by reducing consumption in our own operations by 10%. And in two years we've achieved much, including, but not limited to, the following:

- introducing Bill 100, the Electricity Restructuring Act, 2004, which implemented the recommendations of the energy supply and conservation task force;

- enabling Ontario's local electricity distribution companies to invest more than \$160 million for energy conservation measures across Ontario;

- through the Ontario Realty Corp., the ORC, reducing electricity demand in ORC-managed buildings by as much as 7.8%, well within reach of the 10% target by 2007;

- creating a net metering program that allows farmers, small businesses and consumers to reduce their use of electricity from the grid; and

- directing the Ontario Power Authority to carry out three province-wide conservation programs designed to assist Ontarians to make a real difference and to help our most vulnerable people.

These are just some of the energy conservation measures that we have implemented, and we have gone further. Earlier this year, we appointed Ontario's first chief energy conservation officer. Through the conservation bureau, the chief energy conservation officer will develop province-wide programs that will encourage Ontario's homes and businesses to conserve and to save

money. We know that the potential savings are real, and as we move forward, the conservation bureau will spearhead innovative and successful initiatives that will advance the imperative for energy conservation in our province.

These kinds of actions are aimed at removing the barriers to conservation and energy efficiency, and promoting new technologies and new ideas.

Our government doesn't see conservation as a fad of the moment. We see it as a real opportunity to help Ontarians prosper and as a valuable strategy to enhance the competitiveness of our province. That is why I recently introduced the Ontario Energy Conservation Responsibility Act. This bill, which we will be debating in the Legislature this session, sets out the government's plans for the implementation of smart metering in the province and reducing the barriers to conservation that have, often inadvertently, found their way into the law books and contracts of this province.

This bill would also ensure that publicly funded agencies and institutions become partners in energy conservation, and indeed that we can work effectively with the many community and non-governmental organizations that have kept conservation alive in this province in past years.

#### 1610

The Ministry of Energy is committed to moving Ontario forward with a positive strategy and a clear action plan. It is a strategy and an action plan that will keep Ontario's energy sector on a solid footing by taking a balanced approach, one that addresses the critical need for new supply, an equally important need to focus on conservation, consumers' desire for price stability, the importance of public leadership and the need for private investment.

By ensuring a reliable, sustainable supply of power at stable, competitive prices, and by creating a conservation culture, we are delivering, and we will continue to deliver, the real, positive change that will keep Ontario prosperous and healthy.

Mr. Chairman, members of the committee, I thank you, and I look forward to our dialogue and discussion on the ministry's estimates.

**The Chair:** Thank you very much, Minister. Now I'll recognize Mr. Yakabuski.

**Mr. John Yakabuski (Renfrew-Nipissing-Pembroke):** I just have a question for you, Chairman. We're going to ask questions, because we don't have a lot of time. It's not an extended hearing like some of the other estimates. So if we ask questions, they are then answered, or we can continue to ask questions and pile them up?

**The Chair:** Both are correct.

**Mr. Yakabuski:** OK. We'll learn as we go along. Thank you very much.

**The Chair:** I will say this. We have another two hours less 10 minutes, so there will be half an hour for you, half an hour for Mr. Hampton. That will consume an hour. Then we'll have half an hour for the minister to respond directly to questions, and then we'll have a very brief

time after that for a few questions. We must be completed today, in accordance with the House schedule and direction.

**Mr. Yakabuski:** Thank you very much, Mr. Chairperson. That certainly helps.

Thank you, Minister, for the depoliticizing of the energy file. Yes, we certainly saw much of that here today.

One question for you is this. You have a commitment to shut down the Lambton generating station through 2007. Knowing government and knowing the world, and knowing all of the problems you're already experiencing in some of your RFPs and some of the contracts that have been given with regard to local problems, municipal opposition to some of your proposals etc., let's just say for the sake of argument that it's possible that you may not be able to fulfill that commitment by the end of 2007.

One thing we do know is that you can't buy coal over at Loblaw's. You can't go over and pick up a load of coal to keep the station running. You have to have long-term contracts in effect not only for the commodity but also to ensure that the shipping lanes are booked, the ports are booked, the freighters are booked and all that kind of stuff. And it has to be an ongoing thing; you can't all of a sudden not have a fuel available for a generating station.

I'm wondering what steps you have taken, contingencies, under the possibility that you don't fulfill that plan. Have you got contracts booked into 2008 to ensure that there will be a continuity of supply if we have no choice but to operate those stations? What have we done to ensure that we will have competent staff still there? Because a lot of these people may be looking for work elsewhere if they know or expect that those stations will be shut down. If you have those steps in place, what is the cost of cancelling them, if you do meet your goals? And if you don't have them in place, what are the expected costs of buying a commodity on an emergency basis to keep that station open?

**Hon. Mrs. Cansfield:** Mr. Chair, are we accumulating the questions, or does he want them answered one-off?

**The Chair:** I think he's looking to you for a short answer.

**Mr. Yakabuski:** I'd like an answer to that one, because I don't know whether we'll get to it in the next two hours.

**Hon. Mrs. Cansfield:** We are committed to Lambton shutting down in 2007. As you know, it is an aging plant. As to the issue of the steps we're taking, I'm going to ask the ADM of supply, Rick Jennings, to give you the information around the expected costs and others you asked for.

**Mr. Rick Jennings:** In terms of the issue about contingencies around the shutdown date, Ontario Power Generation has been planning on that basis, so they are looking at flexibility with respect to coal contracting. I guess one of the questions is that if you do contract beyond that point, you can always sell the coal afterwards. It is a commodity that has a market price. You could always buy it in the spot market as well. Ob-

viously, on an ongoing basis, you have ongoing contract commitments, but there are spot options and there is the option to sell some if you have additional. I believe they've also been working in terms of staffing to ensure that there's flexibility for those plants going forward. So there is planning throughout the sector on a contingency basis.

**Mr. Yakabuski:** But you can't tell us what the costs of those will be?

**Mr. Jennings:** I don't think they've been firmed up. In fact, they will depend in part on what the actual price of coal is at the time. Coal is obviously not as volatile as natural gas, but can change quite significantly year to year. It has run up recently.

**Mr. Yakabuski:** So you have nothing in place. You could be sitting in a situation where you have to try to sell coal and take whatever you can get for it at some point.

**Mr. Jennings:** If you've got a contract for coal and you have to sell it at the market price, you're probably not going to take—you may even make money doing that, depending on timing.

**Mr. Yakabuski:** Well, you're not going to stockpile it in a non-operating location, so you're going to get rid of it one way or another.

**Mr. Jennings:** Yes, but they're on the shipping lanes. You can bring the coal in and you can bring it out. There is certainly a need to plan contingencies, and OPG has been doing planning on that. The key issues, as you suggest, are the coal contracting and staff flexibility.

**Mr. Yakabuski:** We know all plants are aging, Minister, but Lambton has about half of its life left yet, according to OPG's own numbers, so it's not that old.

I have another question with regard to what you've been talking about here in your report on the evils of coal, according to your ministry and your reports. When Minister Duncan spoke to the Empire Club, he indicated that you were not locked in on the basis of ideology, but everything was about emissions. It wasn't that they were against coal; it was emissions.

For all your studies, there are just as many other studies that indicate that coal is not the big problem, that other forms of emissions are a far greater problem in the airshed of Ontario. In fact, the Ministry of the Environment released a study indicating that in Ontario, less than 10% of the total sulphur dioxide and nitrous oxide comes from Ontario, and that shutting down the coal plants could actually increase those emissions if we're buying more power from neighbouring states, which actually cause a much greater problem in our airshed than our own plants here in Ontario.

Something else the minister said was that they must ensure that we have a supply, but that we were not locked in by ideology but the emissions. He was also visited by companies that have invested millions and millions of dollars in developing clean technology for burning coal. Yet your position—or at least the previous minister's, and you seem to be dancing to the same tune—is that you're not in the least interested in exploring whether the



fuel is not the issue, but the emissions, whether we can burn coal cleanly in the province of Ontario, a commodity of which we have an infinite supply. According to standards, a 300-year coal supply would be considered infinite. One that is being used and developed in other jurisdictions is clean coal technology. Are you simply not interested in examining whether we can burn while keeping the air clean? If we're only interested in emissions, will you not pay any interest at all to increasingly improving standards for burning coal cleanly?

1620

**Hon. Mrs. Cansfield:** Our government remains committed to the closing of the coal-fired plants. I'd like to share with you that the Coal Industry Advisory Board of the International Energy Agency recently published a report that examined the role of coal in sustainable development. Clean coal technology encompasses both removing the carbon dioxide emissions from fossil fuels and the incremental reduction of emissions through improved combustion efficiencies. The group concluded that the short to medium term could only encompass investments in technology to somewhat improve the efficiency of coal-fired generation and that "Proven cost-effective means for removing and sequestering most of the CO<sub>2</sub> emissions from coal-based power plants do not currently exist." In fact, the technologies for CO<sub>2</sub> capture can be divided into three categories.

The CO<sub>2</sub> captured before combustion has both higher costs and lower efficiency, meaning that more coal must be burned to produce the same amount of power. Demonstration plants have been government-subsidized, and industrial-scale demonstration is needed to prove to some satisfaction its application. CO<sub>2</sub> can be captured after concentration in flue gas. Oxyfuel technology is still a theoretical model. A laboratory plant-scale demonstration has not yet been done. For CO<sub>2</sub> captured after combustion, the technology is expensive and suffers from significant efficiency losses. The environmental impacts specific to coal need to be assessed.

**Mr. Yakubski:** Excuse me, Mr. Chair, can I ask for answers, as opposed to—

**The Chair:** This is a bit awkward, but let me just try and explain. If the question is rather general, then I will allow more latitude. If it's a very specific question, like seeking a number, then I will not—

**Mr. Yakubski:** It is very specific. I'm asking, will you—

**The Chair:** Do not interrupt the Chair. Cut off his mike. Thank you.

I'm explaining to you to help you, but we both can't talk. If it's a short answer, then I will cut off the minister, but if you feel the answers are too long, I will ask the minister to tighten them up.

**Mr. Yakubski,** you have the floor.

**Mr. Yakubski:** I ask for a short answer. There is all kinds of documentation on either side, Minister. Some like it, some don't. You happen to prefer the studies that don't like it because it fits with your political interests. If it can be shown that clean coal technology is available

and working in other jurisdictions, will you look at it or will you not look at it?

**Hon. Mrs. Cansfield:** I'm trying to indicate—the question that was asked was really around the emissions, dealing with clean coal, and I'm trying to respond. I guess the question I need to ask is whether the member is for the shutdown of coal or not, because that was certainly a commitment that was made by his government.

The issue around emissions: Over \$4.8 billion was spent by the United States over a 15-year span to deal with CO<sub>2</sub> emissions, and nothing has been accomplished. In fact, they spent \$297 million on an Alaskan plant that is currently shut down. There is no clean coal at this point. If, in the future—and the study done by the coal advisory board is saying in the long term. Obviously, you look at all technologies, but there is nothing in the short to medium term, and to me, that's the next 20 years.

**Mr. Yakubski:** We have studies that show that a company has brought forward a process that removes 98% of the SO<sub>x</sub> and 96% of the NO<sub>x</sub>, and their studies are verified and approved by the US Department of Energy as well as Environment Canada. I would suggest that maybe you do take a closer look at what is available out there with regard to that.

Your answer is exactly what I would have expected: You're not interested in exploring options. You are locked in on the ideology of coal and not clean air.

**Hon. Mrs. Cansfield:** Mr. Chair, if I may, the emissions that come from—

**Mr. Yakubski:** That wasn't a question.

**Hon. Mrs. Cansfield:** I'm still speaking to the emissions. The emissions that come from coal are not only SO<sub>x</sub> and NO<sub>x</sub> but CO<sub>2</sub>, and it was to the CO<sub>2</sub> in particular. There is obviously an opportunity to use scrubbers, and they will to some extent clean up the SO<sub>x</sub> and NO<sub>x</sub>, but at this point in time there is no technology that will deal with the CO<sub>2</sub>, and they are emissions as well.

As a matter of fact, when you look at the emissions from all of the coal-fired stations, when you look at the carbon dioxide, you deal with everything from 996,000 tonnes from Atikokan to 19,737,000 tonnes from Nanticoke, 9,499,000 tonnes from Lambton, and the city of Thunder Bay is 1.5 million tonnes. So even with the sulphur—and I can give you those figures as well, if you would like. If you'd like to have additional information on the clean coal technology, I can certainly ask my ADM to—

**Mr. Yakubski:** Mr. Chairman, I'd like to use my time. I'd say the question has been answered.

**The Chair:** Thank you.

**Mr. Yakubski:** Minister, you're talking about your deadlines and timelines and new power generation on-line. This year, you announced that the 280-megawatt Greenfield North Power project in Mississauga would not proceed, that the 570-megawatt Invenenergy project in Sarnia was refused rezoning, and now the city of Thunder Bay is calling for a full environmental assessment on the natural gas pipeline for the conversion of 310



megawatts in Thunder Bay. Can you explain how these projects are proceeding, how far they're behind time, and how we expect to meet our timelines if we continue to get these types of delays?

**Hon. Mrs. Canfield:** Thank you for the question. I can let you know that as of this date, we have 2,769 megawatts that have come on since October 2003. That's Bruce A unit 4 and Bruce A unit 3, Imperial Oil, Brighton Beach, Northland Power, Eastview Landfill gas site. Picking A unit 1 returned to service as well. That's a total of 2,769. By the end of 2005, we will have the GTAA cogen that will be on-line, Glen Miller hydro will be on-line, and the Kingsbridge wind will be on-line for an additional 138 megawatts. Expected in 2006, and we are through this process, we have the Melancthon Grey wind, of which the 45 turbine—

**Mr. Yakabuski:** Mr. Chair, I asked on a couple of specifics there.

**The Chair:** Fair enough, but you asked for—perhaps if I can be helpful, you might put on the record that you'd like this information. If the minister can offer a brief response, fine, but failing that, if we could get a detailed response to that question. I have to let the minister have sufficient time to answer such a broad question.

**Mr. Yakabuski:** Well, the question dealt with three specific projects.

**The Chair:** Fair enough, and she was getting to that. If she's not prepared to get to that, then she'll take it under advisement and she'll give us a more detailed response. Can you give us a specific—

**Hon. Mrs. Canfield:** Absolutely, Mr. Chair.

**The Chair:** Thank you.

**Hon. Mrs. Canfield:** I'm sorry. My understanding was that the question was asked about how we were going to deal with those, and I was providing that information in terms of the supply that would come on-line.

In fact, the decision by the OPA and Eastern Power not to proceed in terms of Greenfield North does not impact our plan to phase coal-fired generation. This was a decision taken by the Ontario Power Authority. If you have additional questions, obviously they could be directed to them, since they were the ones who went through the process.

I was in Sarnia recently. It's a wonderful place. I know Invenergy is examining several options, including alternative sites at this time that do not require zoning change, and they're actually also appealing the decision to the Ontario Municipal Board. But I'm quite happy to go through and tell you about the projects that are on line to compensate for those in the interim, and if you would like me to, I will continue, or I could provide this—

**Mr. Yakabuski:** I'll ask you a couple of other questions instead. How's that? It might actually get to that.

1630

Eastern Power had a couple of contracts up in Mississauga; it was the winning party on a couple of RFPs. One of them was the one that was cancelled, and

another one is currently experiencing difficulties, we'll say. You awarded a contract to Sithe power; that's probably one of the alternatives that you might be talking about.

When we heard about the announcement on the Bruce Power deal, a \$4.25-billion deal, we were also told about the details of that deal. They were released at the same time; they're available to the public. Because the supply and the price of power are obviously of great concern to people, those details were important. Now, we have no details as to what kind of contracts have been signed with Sithe in Mississauga or Calpine in the Lambton area with regard to what we can expect to pay for the price of power under the completion of those projects, what kind of escalator clauses might be involved if the price of natural gas rises dramatically, and what responsibilities we can hold these companies to, if the price of natural gas becomes so high that they don't feel it's economical to run these plants, such as the TransAlta installation, which they don't even feel is worth running at most times. Why do we not have the same—no, I'm going to make the question direct: Will you release the terms of those contracts so that the people have the right to examine them the same way that they can examine the contracts with Bruce Power?

**Hon. Mrs. Canfield:** All of the contracts that have been signed through the RFP process are public, and I could ask Mr. Jennings to give you more information.

**Mr. Jennings:** The projects—the Calpine project, the Invenergy project, the Greenfield South project—were all the product of a competitive request-for-proposals process. As part of that process, the request for proposals was put on the Web site. The standard contract was put on the Web site. All of the parties ended up having to sign a contract as put up on the Web site, absent their particular price they've put in. So all of it is public.

In terms of the way those contracts work, the proponent receives a fixed support payment, based on what they offered in as part of the bid. In terms of the natural gas or their fuelling costs, they will run when it is economic in the market. So when the price of electricity makes it feasible for them to run, they will run, and they won't run otherwise. If the question is—they will run when the power is needed, and they basically won't when it isn't needed.

**Mr. Yakabuski:** The Sithe project was not part of an RFP process, correct?

**Mr. Jennings:** That particular project was in fact the next-lowest-cost project in the queue that was picked on the 2,500 RFP. A point about that project in terms of the specific reliability requirements is that the Independent System Operator identified that there was a need to relieve the constraint and bring the power into Toronto. Toronto gets all its power from two points, basically the east at Cherrywood, and west at Claireville. This generation is particularly poised to relieve congestion on the system during the peak summer period, so there was a requirement to move on that to have some in service by 2007.

**Mr. Yakubuski:** So the reason for moving was the necessity? Or is it standard procedure that if the winning bid on an RFP process is clearly failing on its side of the bargain or whatever—clearly it wasn't happening with the winning bid. So do you automatically jump to the—is that what's standard procedure?

**Mr. Jennings:** When the RFP process was designed, there was an identification that there was a requirement for generation in the west greater Toronto area, so that was given a priority weighting, a bonus, in effect, of 5%. As it turned out, based on the bids, I guess that wasn't a sufficient enough bonus, if you were going to require that for liability purposes. It was the first RFP that was done, and maybe there is more evidence from it.

But the need to advance some generation in that area was based also, in part, on the weather this summer. It was very hot this summer. It was clearly demonstrated that there were constraints around that transformer station and that there was a requirement to bring in generation as early as 2007.

**Mr. Yakubuski:** We know the generation supply is clearly a problem. We were very supportive in dealing with trying to bring new supply on-line. One of our concerns is that because of your ideology with regard to supply and what must be taken out of supply, you're desperate, and that can lead to bad decisions, can lead to a process where you're not getting the best deal, so to speak. It becomes a seller's market if the customer is in trouble. That's one of our big concerns. The people have to be assured that they're getting a fair deal. Ultimately, they're the ones who are going to be paying the price of power, whether it's directly through residential power or the price they pay for commodities produced by manufacturers in the province. The people pay the price.

That is one of our big concerns. That's why we ask some of these questions, because we have some real issues with regard to the details of these contracts. If they're public, we will certainly be looking for the same kind of details that are released with regard to the contract to refurbish units 1 and 2 at Bruce A. As to the jumping of the queue with regard to the RFP process, you've given us an explanation; the people will have to decide if that's the way it should be done, or if there should have been an opportunity for companies 2, 3 and 4 to submit new bids if this was a replacement or second-choice type of thing. That's something we definitely have concerns about.

I also want to ask you about smart meters. You were talking about smart meters in your speech today, Minister. I know the full decisions haven't been made with regard to what smart meters you're buying, is that correct? Just a short answer, yes or no.

**Hon. Mrs. Cansfield:** That's correct.

**Mr. Yakubuski:** Thank you. We're getting a lot of feedback from people about smart meters and the system you've set up for May to October—at least, you've put a pricing regime in place for May to October of next year for those people who are on a time metering system. The position we get repeated—I don't think you titled

yourself that, but you certainly became known as the queen of conservation. Congratulations. But the smart meters themselves are not going to conserve energy; they're simply going to shift the time of day that the energy is consumed. That's the best information we have. Do you have other information? Can you tell us that those people are correct or incorrect?

**1640**

**Hon. Mrs. Cansfield:** It's going to be a combination. Certainly with time of use, you have smart meters and smart people making smart choices. Also, we do have information, through pilots that have been happening across this province, that in fact with smart metering, people are making the correct choices around their energy usage and are reducing their energy usage, which is reducing their bill and ultimately helping us in terms of kilowatt hours that are saved. It's a bit of both. We had an estimate done by an independent consultant, and the analysis was that smart metering will be a cost-effective initiative, that given the magnitude of this, it's going to be a total benefit of \$1.57 billion. The important part here is to be able—

**Mr. Yakubuski:** Over how long, Minister?

**Hon. Mrs. Cansfield:** Over the total installation of the meters to 2010, when they will all go in.

We have been working very closely with the local utilities, the local distribution companies, a significant number of them. There's a group called the Ontario Utilities Smart Meter working group, OUSM for short, which is all the utilities that hired their own independent consultant to work with and look at the technologies. We have places such as Chatham-Kent, that has been working with Tantalus, and Niagara, actually using the same meter but changing the technology of the meter. I don't know if you know, but in that particular instance, Niagara actually is a Measurement Canada place for meters, because they have to go through this process all the time.

There is certainly a huge range of benefits to smart metering. They measure and collect energy usage information and supportive billing of customers, and they do this at critical peak times. There is no question that the collection of this information helps. We do have substantive information that shows the smart metering pilots are making a difference. We are collecting that data. We are working very closely with the actual local distribution companies in terms of the asset management of those meters. We can look at supporting remote disconnect and connect and load control through those meters. We can support the prepay meters, which, if you've been to Woodstock, are the pay-as-you-go meters. We can improve the power quality. We can improve the system reliability. We can avoid distribution costs. We can reduce the cost of energy procurement. We can lower regional energy costs. We can have avoided transmission investment.

**The Chair:** Minister, you can complete that in your 30-minute segment.



**Hon. Mrs. Cansfield:** Those are just some of the benefits of smart metering.

**The Chair:** I have to move to Mr. Hampton.

**Mr. Howard Hampton (Kenora–Rainy River):** Thank you. I too have some questions I want to ask. Minister, the other day in the Legislature I asked you a question, and I was really confused when you said, as part of your response, “When I was doing my reading, a little bit of homework, this was the government that ... purchased land in Costa Rica for a rain forest.” I asked you about that. I’m going to ask you again, since you made this statement, can you tell us when this so-called rain forest was purchased in Costa Rica? Was it the old Ontario Hydro? Was it Ontario Power Generation? Was it Hydro One? Was it the Ministry of Energy? Was it some other arm of the Ontario government? Basically, I want to know when was it purchased, where in Costa Rica was it purchased, and through what arm or agency or department of the Ontario government was it purchased? Do you have any answers?

**Hon. Mrs. Cansfield:** I guess I could go to “Bungle in the Jungle,” an article in the Toronto Star on Sunday, May 29, 1994, in the Analysis, Commentary and World Report section, that actually has the headline, “Why Does Hydro Want to Buy a Costa Rican Jungle?” Certainly, that will give you some of the information. They were contemplating the purchase of 12,509 hectares of jungle in Costa Rica. It was next to the Corcovado Park, and it was worth somewhere between \$10 million and \$12 million. It was actually Energy Minister Bud Wildman who told Mr. Stockwell at the time that he had no idea why Hydro wanted to buy this Costa Rican jungle but that he would find out.

Later, he did tell a reporter that David Hopper, the head of Hydro’s international operations, really knew nothing about it, but it appeared that Mr. Strong did. As you know, Mr. Strong had been given free rein by the government of the day, which I believe was the NDP government. If Hydro was run by the NDP government, while the notion may be absurd, they indicated it certainly was not impossible for this to go forward.

I think what happened is that when Costa Rica’s new president came to Ottawa on an unofficial visit, it made certain sense that he speak to Strong on Hydro, because, as a matter of fact, those arrangements had been made and the deal was to be signed. I guess maybe Mr. Wildman determined that it wasn’t in the best interests of the people of Ontario. But there was no question, according to this article, that it had been just a matter of putting pen to paper before.

**Mr. Hampton:** So what you’re saying is that in fact no purchase was ever made?

**Hon. Mrs. Cansfield:** As far as I can tell you from this particular article I read, the contemplation was there, and that’s sufficient for me.

**Mr. Hampton:** I’m going to ask the question again: Was any purchase made? You’ve asserted that a purchase was made. Was any purchase made, Minister?

**Hon. Mrs. Cansfield:** As far as this article goes, it indicates that in fact it was pen to paper, and it was just a matter of this taking place.

**Mr. Hampton:** Chair, I’d like to ask a question of legislative research: You’ve heard the questions I’ve asked. The minister either doesn’t want to answer or doesn’t want to admit that she gave incorrect information in the House. So I’m asking legislative research to research this information, and maybe you could help the minister out and provide her with some factual information.

My next question, Minister, is what has been the average weighted spot price since the McGuinty government announced your so-called hybrid system? The system kicked in last spring. What’s the average weighted spot price for hydroelectricity since the system kicked in last spring? If you don’t have the answer at hand, I’ll take the information later.

**Hon. Mrs. Cansfield:** No, we have the answer. Mr. Jennings can give it to you. He’s in charge of supply.

**Mr. Jennings:** I don’t have on hand exactly those months. You’re talking about from spring 2004?

**Mr. Hampton:** Since the hybrid system kicked in last spring. You know when the system kicked in, or you should know.

**Mr. Jennings:** Since the beginning of May this year, the average weighted price is 8.1 cents a kilowatt hour. Just to explain, that’s the market price. There is an adjustment monthly that reflects that about 40% of that generation is regulated—

**Mr. Hampton:** Sorry, I’m asking the average weighted spot price. I’m asking something very specific, and I want a specific answer. What’s the average weighted spot price?

**Mr. Jennings:** The average weighted spot price was 8.1 cents.

**Mr. Hampton:** Thank you. Month by month, what have the average prices been: May, June, July, August, September?

**Mr. Jennings:** The May weighted spot price was 5.47 cents, June 7.12 cents, July 8.2 cents, August 9.5 cents, September 10.2 cents, October 8 cents, and November 6.5 cents.

**Mr. Hampton:** The September and October spot prices strike me as being exceptionally high for what are supposed to be low-demand months. What factors led to such high prices in what are supposed to be low-demand months and, as far as we understand, were low-demand months?

**Mr. Jennings:** A factor in September and October is where there’s a lot of maintenance of plants, and the plants had run quite heavily over the summer because of the high demand.

1650

**Mr. Hampton:** What plants?

**Mr. Jennings:** Fossil plants and, to a lesser extent, the nuclear plants. As to the hydroelectric plants, because it was a dry year and they had again been running in the summer, there was less hydroelectric available, which



tends to dampen the price. So it's those two conditions: the supply and the availability. September and October is traditionally when there is maintenance, and because it was a dry summer, you had less hydroelectric available.

**Mr. Hampton:** It strikes me that of the factors you've mentioned that led to such high prices in low-demand months, I don't see anything unusual here. Sometimes there are going to be low water levels; you've got to expect that.

**Mr. Jennings:** Yes, and that does vary. The other major factor that happened in September, in the fall, is of course the gas prices after Hurricane Katrina, which had a major impact.

**Mr. Hampton:** So you're saying natural gas prices were high?

**Mr. Jennings:** That's another factor, yes.

**Mr. Hampton:** It seems to me that, from time to time, you will have to shut down thermal stations to restore them. From time to time you will have to shut down nuclear facilities. It looks as if natural gas is fairly hefty. I guess what I'm asking is, since all of these things seem to be general trends, what is going to change in the near future to bring down the spot price of electricity? Anything?

**Mr. Jennings:** The mechanism that is there is that about 70% of the generation is either at a regulated price, which averages 4.5 cents, or is subject to a revenue cap, which is currently set at 4.7 cents. So for that 8.1 market price, taking account of those adjustments, customers are paying about 5.6 cents.

**Mr. Hampton:** Again, I am asking you about the spot price. It seems to me that what you've got—to go back to May, it's 5.47; June 7.12; July 8.2; August 9.5; September 10.2; October 8 cents. It seems to me that those spot prices are pretty high, and I don't see anything changing. I don't see, for example, that you're suddenly going to get torrents of water that are going to allow you to reduce the spot price through greater utilization of hydro. You might get some greater utilization of hydro, but not huge amounts. I don't see the maintenance costs of thermal stations suddenly turning around and diminishing. I don't see the maintenance costs of nuclear facilities and the maintenance times required to suddenly diminish. I don't see natural gas taking a substantial reduction in price. What is there, that you can see, that would reduce those very high average weighted spot electricity prices?

**Mr. Jennings:** What helps to stabilize the price that consumers pay is that there are regulated assets of Ontario Power Generation, the nuclear and baseload hydro, and a revenue cap on the other assets of Ontario Power Generation, which means that, in total, 70% of the generation is on a stable basis, and this helps reduce the volatility that the actual end customer has to pay.

**Mr. Hampton:** Well, there are lots out there who would have a hard time buying that, but we'll leave that for now.

The first six months of the year, which include both low- and high-demand months, came in at eight cents a kilowatt hour, right? I think that's what you just told me?

**Mr. Jennings:** Yes.

**Mr. Hampton:** What is your best estimate for the new regulated price that comes into effect on April 1, 2006? It's now five cents a kilowatt hour for the first 750 kilowatt hours and 5.8 cents per kilowatt hour for everything over that. What do you think it's going to come in at on April 1, 2006, based upon what you see happening to that average weighted spot price? Do you have any estimates?

**Mr. Jennings:** First of all, that will obviously be a decision made by the Ontario Energy Board, but those two prices take into account the regulated price and the revenue cap. They actually take into account the weighted price. It would be their estimate of the spot price but reduced by these stabilization factors, so it could be substantially below their outlook for the spot price.

**Mr. Hampton:** There are six months left in this electricity year, if I can refer to it that way, but here's your situation: There are very high spot prices there, and spot prices didn't go down in September and October, as they were supposed to; it doesn't appear that they've even gone down much in November. Based upon what you're seeing this year, you must be able to make some estimate, some thoughtful policy estimate, as to what the regulated price might be come April 2006.

**Mr. Jennings:** Just the observation that even with that spot price, with these adjustments—the regulated assets and the revenue cap—that would bring that 8.1 cents down to less than 6 cents, 5.6 cents. Those will be factors that the OEB would take into account.

**Mr. Hampton:** So you're saying that you think the base price for the first 750 kilowatt hours will be 5.6 cents?

**Mr. Jennings:** The OEB is going to be setting the price. They'll be taking all those factors into account. They will have their own outlook for the spot price and they will have their own outlook for what those adjustments will be worth next year.

**Mr. Hampton:** But as the policy person that we look to in Ontario to give us some guidance, you don't have any estimate? You don't have any sense of this at this point in time?

**Hon. Mrs. Cansfield:** If I may, it's the Ontario Energy Board that has been charged with the responsibility to determine the prices; it is not the policy person within the Ministry of Energy.

**Mr. Hampton:** So you have no advice, no thoughts?

**Hon. Mrs. Cansfield:** Again, if the Ontario Energy Board, in its deliberations, wishes to speak to the staff, they're more than welcome to. I'm sure they will hold hearings, as they are obliged to do, and they will get a great deal of success.

**The Chair:** I might even add further that when I was the energy critic, I actually had the energy board come forward as a request. Unfortunately, we don't have the time to do that, but it is the right of a member to do that.

**Mr. Hampton:** Yes. I think we'll have an opportunity to do something around that.

My understanding is that large power users pay the market rate and then they receive a rebate on the market rate. Is that correct?

**Mr. Jennings:** They get a monthly adjustment for the regulated price. The regulation as it is set now is that as of April 30 they will receive a rebate for the previous 13 months.

**Mr. Hampton:** OK. What have those major power users been telling you about the price they're paying? For example, what have people in the pulp and paper industry been saying to the Ministry of Energy about the price they're paying?

**Hon. Mrs. Cansfield:** Certainly they have identified that energy costs are a contributing factor. Today there was an announcement put out by the plant in Dryden in which they actually identified a number of factors: the Canadian dollar, the oversupply in the industry, the lack of supply and demand. There are a number of contributing factors to the decisions they make.

**Mr. Hampton:** I also know that the first thing they cited in the press release was the cost of energy.

My understanding is that the major power users are paying an average of about 6.5 cents per kilowatt hour since April 1, and that's after rebates, some of which they haven't received yet. Many of these companies, whether they be pulp and paper, steel, some of the auto parts sector or some of the chemical industries, are the backbone of the Ontario economy. They provide literally hundreds of thousands of jobs, and in dozens and dozens of communities across this province they are the economic activity. What are they telling you about the price they're now paying? Do they think that price is OK? Do they think it's too high? Do they think it's sustainable to them? Or are they saying it will put them out of business?

1700

**Hon. Mrs. Cansfield:** We've had a number of discussions, ongoing discussions. I myself was up in Kenora to speak to Abitibi paper. I will also go on to cite what you said earlier about the Weyerhaeuser vice-president, who indicated that in the face of rising costs, the rapidly appreciating Canadian dollar, declining demand for fine papers and industrial oversupply—

**Mr. Hampton:** What's the first thing at the beginning of the paragraph?

**Hon. Mrs. Cansfield:** I didn't disagree. I said they were all contributing factors, but the fact of the matter remains that they are closing plants in Newfoundland and in other provinces, in BC, where in fact the energy prices are extremely low.

**Mr. Hampton:** What plants did they shut down in BC?

**Hon. Mrs. Cansfield:** I'll have to get that information for you. We'll get it for you in just a second.

What we've made a commitment to do is to work with that sector. As you know, \$680 million have been put forward by the Minister of Natural Resources. We have supply for 1,000 megawatts of cogeneration.

The recent examples for BC are Abitibi-Consolidated Port-Alfred paper mill. It has closed.

**Mr. Hampton:** When was that shut down?

**Hon. Mrs. Cansfield:** This is January—sorry, I've got the wrong one here. It's the Norske Canada paper mill in Port Alberni, BC, 2005, permanent shutdown of one of its paper machines. It's looking at shutting down other parts of mills in the province. And this was in 2004: There's another one, the Port Alice Speciality Cellulose, Port Alice pulp mill, in BC. The mill ceased operations in October 2004 due to high—

**Mr. Hampton:** You're aware that's the mill that's reopening.

**Hon. Mrs. Cansfield:** I'm just saying that there are others that have shut down. As I've said, there are places even where the electricity prices are low. It's part of the challenge within the industry. So our commitment is to work with them. The Minister of Natural Resources has committed the \$680 million in loans.

One of the other things we're doing is to work the issue around the cogen, which I identified was 1,000 megawatts, and actually having those one-one-one discussions with these firms to see what we can do. Interestingly enough, they also recognize their challenges. When I was up at Abitibi, they had actually built the plant with cogen in mind, and the empty room was there for this to go forward. It wasn't worth their while, they said earlier. It certainly is worth their while now to look at these initiatives.

What's important is how we work together to resolve the challenges that face many industries in this province. At the same time, I also indicated that we've put \$700 million into renewable energies and \$3 billion into other forms of energy that will be coming into this province, through direct and indirect jobs.

**Mr. Hampton:** I'll repeat my question again: What are the large power users, the kind of folks who belong to the Association of Major Power Consumers of Ontario, telling you about the impact of electricity prices on their operations and their future operations? What are they telling you?

**Hon. Mrs. Cansfield:** I'll repeat. As I said, when I went up to Abitibi, as an example, they cited the fact that there is a change in the native supply and demand in their paper. There is a challenge with how they do their work. In fact, that particular plant had taken it upon themselves to look at what they could do in terms of energy efficiencies, without even their head office directive around energy efficiencies in the plant, because they recognized that they did not want to end up needing a shutdown.

**Mr. Hampton:** The question was about electricity prices. What are they telling you about electricity prices and their operations and their potential for shutdowns?

**Hon. Mrs. Cansfield:** I would suspect what they told the Progressive Conservative government for years and what they told the NDP government for years, certainly what they've been telling us, is that prices are too high. They're always too high. The fact of the matter is that our issue is that we're committed to work with those industries to see what we can do by working together to make a difference for the people of Ontario.



It isn't just an issue of high prices. There are many factors that contribute as to why plants change their direction in terms of their own strategies.

**Mr. Hampton:** Well, organizations such as the Association of Major Power Consumers of Ontario told your government in the summer of 2004—they looked at your government's electricity policy. They said that between the summer of 2004 and 2008—that's three years; now it's three years—hydro prices would likely go up over 50%, according to your electricity policy. Does that sound right?

**Hon. Mrs. Cansfield:** From their perspective, but certainly not from ours.

I'd like to go back to 1990-95. There were 14 mills that actually closed in Ontario. From—

**Mr. Hampton:** Shall we name those mills?

**Hon. Mrs. Cansfield:** Yes, I can, actually. Give me one second. I'd like to name all the mills that were closed: Field Lumber—

**Mr. Hampton:** Field Lumber burned down.

**Hon. Mrs. Cansfield:** Excuse me.

**Mr. Hampton:** It burned down.

**Hon. Mrs. Cansfield:** Mr. Chair, may I respond?

**The Chair:** Mr. Hampton, you've asked her for a list. She's going to give you a list. You seem to be aware of it, so just let her finish.

**Mr. Hampton:** All right.

**Hon. Mrs. Cansfield:** This is a summary of mill closures in Ontario from 1990 to 1995:

—Field Lumber (Brun): The location in Field, with 25 employees, was in the saw sector. The year of closure was 1991.

—Odorizzi Lumber: Located in Golden Valley, the number of employees was 30, and the sector was saw as well. It closed in 1991.

—Abitibi-Price: The location was Thunder Bay, the number of employees 140, and the sector was pulp. It closed in 1992.

—Custom Sawmill in Hearst: employed 200 in saw. It closed in 1992.

—Giroux and Vezina in Field: employed 15 people in saw. It closed in 1992.

—Stone Consolidated Inc. in Braeside: The number of employees was 100; it was saw. It closed in 1992.

—724583 Ontario Ltd. (H. Shaw Egan) in Eganville: 30 people, in saw. It closed in 1992.

—Fragher Lumber in Fort Frances: employed 10, was saw—1993.

—Felix Goretzki, in Sioux Lookout: five folks, saw. It closed in 1993.

—Jamot Lumber Co. Ltd. in Paksley: employed 20 people, was saw—1993.

—Eddy Match Co. Ltd. in Pembroke: employed 100, veneer—1993.

—J. H. Poulin, in Wawa: It was saw. It closed in 1994.

—Hampel-Gibson, in North Bay: 15 people, was saw. It closed in 1995.

—Cooney Brothers, in the Bancroft area: The number of employees was 10; the sector was saw. It closed in 1995.

Those are the total of the summary. Would you like the source—

**The Chair:** Thank you. Mr. Hampton?

**Mr. Hampton:** That's interesting, and I hope you'll repeat that everywhere you go.

AMPCO has said that, from their projections, the electricity rates their members pay are going to go up 50%. They also estimated that price increases of this magnitude would reduce the Ontario GDP by 1.4%, and they believe it would mean the loss of 140,000 jobs, particularly concentrated in forest products, steel, auto-related—some auto parts and castings—and smelting. Are you hearing anything like that from these industry groups?

**Hon. Mrs. Cansfield:** We meet on a regular basis with a number of stakeholders. Within the conservation action team, I think we met with over 300. When I was the parliamentary assistant, I participated in my own meetings with all of these folks, along with those briefings that were there with the Minister of Energy. We would listen to their concerns and identify their challenges. Some had more challenges than others.

If you go back to when these mills were closed—and I can quote here from Mr. Bisson that yes, there are other issues out there. In fact, I'm not going to stand here and say it's only electricity, because we know it's partly the American dollar being low and it's partly the regulations.

As I said earlier, the challenge is how we work together. We have made a decision around cogeneration, which is the first. As a matter of fact, we're actually looking at trigeneration. There is the forestry prosperity fund in the forest sector, and also with conservation, and we have worked with the Ontario Power Authority procurement to help industry develop the cogen, as I indicated, and conservation. So we're working very closely and have met with these people, and continue to meet. The door is open. As I say, whenever they wish to have an opportunity to come in and talk to us, we encourage that, because our issue is that we want to work with them to try and solve the challenges they face.

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**Mr. Hampton:** Over the next few years, a lot more of Ontario's electricity is going to be produced by gas-fired plants. Is that correct, Minister?

**Hon. Mrs. Cansfield:** There will be a percentage that will be produced, because through the Ontario Power Authority and its procurement process, the RFP, we're putting in—

**Mr. Hampton:** Do you know what the percentage is likely to be?

**Hon. Mrs. Cansfield:** I was going to say that part of our challenge is that we've also asked the Ontario Power Authority to bring forth what's called an integrated plan in terms of how we move forward on it, and on a mixed fuel supply as well.



**Mr. Hampton:** Do you know what the percentage of natural gas is likely to be?

**Hon. Mrs. Cansfield:** No, because it will depend on a number of factors. It will depend, first of all, on what they see as the mixed fuel supply for the province coming forward, and that report is due sometime in December. Also, as an independent power authority with responsibility for supply and procurement, they've been asked to put forward a 20-year supply integrated plan for this province. I'll be able to let you know that when all of that comes together.

In the interim, some plants have been put in place. I can actually read all of them, if you like. They tell you what's—

**Mr. Hampton:** I'm just interested in what the percentage looks like.

**Hon. Mrs. Cansfield:** As I said, I can't give you that percentage at this time.

**Mr. Hampton:** That's fine.

Natural gas prices have increased by 135% over the past three years, and they are expected to continue to rise over the next few years. Tom Adams at Energy Probe, someone I don't always agree with, estimates that coal-fired power can currently be produced at about 3.5 cents a kilowatt hour, that even coal-fired generators brought up to the highest emissions standards that now exist in North America could generate at five cents a kilowatt hour. Adams also estimates that gas-fired plants, which you're signing with, for example, Calpine and Sithe Energy and Eastern, will produce at about 11 cents a kilowatt hour. Does that sound correct? Does that sound like a ballpark figure?

**Mr. Jennings:** Currently, in the aftermath of Katrina, you can get prices that high. In terms of the long-term outlook, it is expected that they will come down.

**Mr. Hampton:** I've heard that before. But I'm asking you, are his figures essentially correct? He says 3.5 cents a kilowatt hour for coal-fired generators as they exist now; he says about five cents a kilowatt hour for the highest emission standards that you now have in North America for coal; then he says about 11 cents a kilowatt hour for gas-fired plants.

**Mr. Jennings:** The coal-fired plants: I've seen estimates that are somewhat higher than that but within that ballpark. I've seen estimates of a cent higher for both. In terms of the gas-fired, it will depend very much on what the actual gas price is. The power plants that were contracted under the 2,500-megawatt RFP: We did modelling in terms of assessing those based on if they had been operating in the two years prior to then. The estimated average cost would have been 7.8 cents, all-in costs for the plant.

**Mr. Hampton:** So you think his 11 cents is too high?

**Mr. Jennings:** I think that reflects the very high run-up in prices that was the immediate aftermath of Hurricane Katrina. The expectation everywhere, if you look at forward contract prices, is for that to come down.

**Mr. Hampton:** How far would you say it's going to come down?

**Mr. Jennings:** Not in the cents per kilowatt hour, but the current US price, I think the price today in the Henry Hub, Louisiana, is US\$9 per million BTU. The expectation is that that would come down to \$7 or lower as that effect works off, what happened with the hurricane.

**Mr. Hampton:** What do you think that means for natural-gas-generated electricity in Ontario?

**Mr. Jennings:** If it's a US\$7 price, that would probably be in the range of the eight cents per kilowatt hour. That's including the capital costs and fixed operating costs, administration.

**The Chair:** One final question, Mr. Hampton.

**Mr. Hampton:** The reason I ask that is because I've spoken with a couple of paper mills that are operating natural gas cogens right now. They would get higher efficiency out of a natural gas cogen than out of a plant that simply burns cogen for electricity. They're saying to me, "We can't afford to run a natural gas cogen anymore."

**Mr. Jennings:** Those plants aren't necessarily combined cycle, which is both the gas turbines and the steam turbines.

**Mr. Hampton:** These are fairly modern and combined cycle. They also use the waste heat to generate steam; they use the steam to dry the paper. So they'd be fairly efficient in terms of the conversion of natural gas energy into a usable product. They're saying, "We can't afford to do this any more."

**Mr. Jennings:** Without knowing the specifics, a lot of those had very low-price, long-term natural gas contracts, which are coming up. They are ones that were signed in the 1990s when prices were very low and when you could get long-term gas contracts. It is the dislocation of those contracts ending that will obviously change their economics.

**The Chair:** Thank you very much, Deputy Minister, if you'd like, you can do a more fulsome response to the questions that have been raised by Mr. Yakabuski and Mr. Hampton at this time.

**Hon. Mrs. Cansfield:** Actually, I guess it's an opportunity to agree with folks. I'd like to agree with Mr. Hampton, who—actually, I guess I could quote. He indicated that "the proliferation of new natural gas-fired plants, which are not only much cleaner and quicker to construct, but also much more efficient than older coal plants, is the single largest reason for almost all of the decline in the UK power prices since privatization." He goes on to say that "In fact, the entire utility world, including the publicly owned sector, has been installing combined gas-cycle turbine generation for the last 20 years or more. It simply makes economic and environmental sense to replace coal with natural gas."

I'll leave my comments at that, sir.

**The Chair:** Thank you very much, Minister. Very well. We have a bit of time here, so I'm going to give Mr. Yakabuski 15 minutes.

**Mr. Yakabuski:** Fifteen minutes? Boy, if I'd known that, I'd have prepared something.

**Mr. Hampton:** You can pass it over to me.

**Mr. Yakubski:** That's OK.

Mr. Jennings indicated, when we were speaking earlier, when I was asking you about the contracts and the RFPs and that—I think this is what you said—that basically what's on the Web site is a copy of what they fill out, with no figures of any kind on the site. But what you did say—I'll paraphrase it—is that those gas plants will run when we need them and they won't run when we don't need them, these new Calpine and other sites. Given that you're shutting down between 17% and 22% of our capacity in coal generation, there's little prospect that in peak times you're not going to need those gas plants, assuming they're on-line at the time you shut down coal generation. I'm just wondering what kind of statement that was. I'd like a clarification. There's nothing that would give us any comfort with regard to supply being there by the end of 2007 that would indicate that you're not going to have to run these gas plants on every peaking day type of thing, because Bruce 1 and 2 are not going to be up and running yet. We all know about things that might be in the mix. You will have some renewables, and we support you on that. But there's little chance that you're not going to be operating those gas plants pretty much steady on the peaking days. Can you clarify that statement you made? We're trying to determine the price of power here.

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**Mr. Jennings:** There are various contract structures that could be designed to contract for new power. The non-utility generation contracts that were signed in the early 1990s were based on paying a price for them to run whenever they were available, so you would be paying basically gas costs for them to run. Some of these projects are still operating; in fact, most of them are. They are paid to run even at night, when you don't necessarily need gas-fired power.

The way these contracts were designed, under the clean energy source, is that they only run when market conditions would drive them to run. So during peak days in the summer, you will need that capacity; they will be running then and they will get paid to run then. There isn't a requirement to pay them when they want to run but they're not economic to run. There is a more cost-effective approach to contracting than just paying them a flat price 24/7.

**Mr. Yakubski:** What you're saying is that we will have to ensure that we have enough dependable baseload capacity to ensure that at the times of day or the times of year when the demand—Mr. Hampton talked about low-demand months, but it's more specifically times of day; even in peak times, we're not running at peak all the time. We will have to ensure that we have sufficient baseload capacity to ensure that we'll have that supply. If you're going to be able to shut down—

**Mr. Jennings:** Yes, and there is nuclear and baseload hydro that's available for that. But there is a significant requirement for plant that comes on during the peak days in the summer—actually, most of the weekdays in the summer, you need to meet that demand. That's a specific

requirement that the nuclear plants, for instance, aren't as good at doing.

**Mr. Yakubski:** Minister, one thing you also talked about in your—I know I won't find it. You talked about the OPA report. We're expecting an OPA report on December 1. There's a supply mix report coming out on December 1, correct? I understand that the OPA is somewhat arm's-length, but they do know who created them and they do know who can un-create them. Everything that has been said by your predecessor—if somebody asked him, "What if the OPA were to come out with a report that indicated that we should operate our thermal generating stations until such time as we could be assured of the replacement supply?" and "Should we be investigating the ability to operate them cleanly?" he basically said, to paraphrase, "Anybody who doesn't agree with me, Dwight Duncan, is a neanderthal, if they think that we can do this any differently." Also, I read a quote where he basically said, "If they came out with a report that didn't fit into our way of thinking, we wouldn't pay attention to it anyway. We're going to go ahead with what we've decided." Whether it's in a tacit way or not, it would seem to me that the OPA has been given a directive to come up with a supply mix report that matches our political model for our power future here in Ontario, which really brings into question its objectivity. Have they actually been given a directive to consider the power future of Ontario but not to consider the possibility of new technology for coal?

**Hon. Mrs. Cansfield:** No. What the power authority has been asked to do is to look at the mixed fuel supply and to come back to us with that report. It's obvious that we have a commitment to closing down the coal-fired plants, and we have put in place a process for procurement up to—the total is 10,165 megawatts of new supply expected to come on before the end of 2009. At this point, undoubtedly the Ontario Power Authority will look at more procurement as required, but there is nothing that would preclude them from having—one of the challenges is to be able to look in the long term. Our vision is to find a reliable, affordable, safe, clean supply of power for this province. We have three ways to do it: to maximize our existing assets and transmission lines; to build new generation, which, as you know, can come in a variety of forms; and ultimately, to create a culture of conservation. With that in mind, they are looking at whatever that might be to come to us. I mean, it would be very presumptive of us to determine what they're going to say. Dr. Carr is a well-respected, well-known individual, very involved in this industry for a long period of time.

**Mr. Yakubski:** I have another question. In telling us you're totally removing the politics from power, you made some comments about how bad the previous government was and that their policy with regard to price, market opening, price freezes, caps etc. cost the citizens in Ontario \$1 billion. Can you tell us what the cost of writing off these coal-fired plants is to the people of Ontario, when they still have half their usable life left but they will now be stranded assets?



**Hon. Mrs. Cansfield:** As I indicated earlier, we did an analysis that was done by an independent consultant. They looked at the health, the environmental and societal costs, as well as the shutting down, and their estimate was \$4.4 billion.

**Mr. Yakubuski:** No, I'm looking at the writedown cost to the taxpayer of the shutdown, the writedown of these assets, making them stranded assets, when they still have half their useful life left. What is the cost to the taxpayer of that decision, the increase in the stranded debt?

**Hon. Mrs. Cansfield:** We're possibly looking at a difference, then, in philosophy, because I certainly don't think I can put a dollar value on someone's life. The issue here is that we are looking—

**The Chair:** Minister, if I might be helpful, this is a finance question. This is strictly the book value of a capital asset and its writedown, because you're removing it in half the time of its normal writedown. This is a finance question. To be fair, if someone can respond to it to give us a sense of it; if not, then you'll receive that as a formal question and you can get back to us in writing.

**Hon. Mrs. Cansfield:** If you want just that answer charge, I can ask Mr. Jennings to reply, because there was a charge that OPG took on that.

**Mr. Jennings:** Ontario Power Generation took a charge against 2003 income. I can give you the exact number—I can get back to you—but it was around \$400 million.

**Mr. Yakubuski:** You'll get us that information? I appreciate that.

I had one other question. In your plans, you also said you've advanced projects. I don't know if dreaming is advancing projects, but there certainly aren't 9,000 megawatts of advanced projects. I guess you could define that. Most people would assume that 9,000 megawatts means you've actually signed contracts. They don't have to be operating but they have to be at least signed, and I don't think we're anywhere near that.

This talk of possibly, maybe, if everything goes well, having agreements with Quebec and Manitoba to import more electricity from their jurisdictions—they have different transmission systems than we have. Can you tell us what the cost of the upgrades to the transmission system will be for us to be able to access the power? If those plans actually become contracts, what will the cost of upgrading the transmission system be?

**Hon. Mrs. Cansfield:** I can answer two questions. You asked the first question about whether or not there were actual contracts.

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**Mr. Yakubuski:** No, I didn't. I made a statement about that.

**Hon. Mrs. Cansfield:** Oh, you just made a statement. Because there are actual contracts—I'd be delighted to supply that to you—that actually do total those amounts.

**Mr. Yakubuski:** You can even send them to me. But I'd rather have an answer on the second question.

**Hon. Mrs. Cansfield:** I'd like Deputy Gillis to, since he's been working on this file.

**Mr. James Gillis:** The cost of the intertie expansion between Manitoba and Ontario is—

**The Chair:** Could you move closer to the microphone, please? Thank you very much.

**Mr. Gillis:** The cost of the intertie expansion between Manitoba and Ontario from 200 megawatts to 400 megawatts is approximately \$150 million or so, and that will be split roughly half and half between Ontario and Manitoba. That's the first step in upgrading our interconnection with Manitoba.

The second phase of that would involve building a transmission line, and there are a few options for building the transmission line, one of which actually goes right through Manitoba and doesn't enter into Ontario until around Thunder Bay. The cost of each of those options depends on the routing and can come to Ontario ratepayers somewhere between \$500 million and \$2 billion, depending on the route. The all-in cost to ratepayers in Toronto, though, will be driven by a combination of the transmission cost as well as the generation cost in Manitoba—so the price at which they sell us power—and then added to that, the cost of the transmission over a period of 40 years, which is approximately how long the transmission will last.

**Mr. Yakubuski:** Will we be paying for upgrades being done in the province of Manitoba? It's not just where it crosses at Thunder Bay or whatever; it's that any upgrades that will facilitate the movement of the 3,000 megawatts, which is the eventual plan, will be our cost.

**Mr. Gillis:** Well, we haven't reached final agreements. The expectation is that we would sign final agreements. We have preliminary agreements around—

**Mr. Yakubuski:** And is this part of the 9,000 megawatts that you were talking about?

**Mr. Gillis:** So we've reached—

**Mr. Yakubuski:** So you don't have a contract for the 9,000 megawatts.

**Mr. Gillis:**—preliminary agreements, but we haven't selected the transmission routing, and that actually is what remains to be seen. So it's preliminary agreements for the increase in the intertie from 200 to 400 megawatts, and then, like I said, the transmission, and we'll finalize the transmission routing. We have negotiations underway with First Nations, and there'll have to be a beginning of an environmental assessment process. But we'd like to have all of the agreement parts of the transmission system expansion in place by the end of 2006.

**Mr. Yakubuski:** Am I still good?

**The Chair:** One minute.

**Mr. Yakubuski:** The environmental assessment that the city of Thunder Bay is asking for with regard to the pipeline: Is the government going to challenge that in the strongest possible way, or are they going to be willing to wait and let the process unfold, or are they going to be challenging the city's rights to do that?



**Hon. Mrs. Cansfield:** That would be a decision of the Ministry of the Environment.

**Mr. Yakubuski:** Thank you.

**The Chair:** Mr. Hampton?

**Mr. Hampton:** I understand that the government has a \$2-million program to provide assistance to low-income Ontarians who have to deal with increased energy costs. Is that correct?

**Hon. Mrs. Cansfield:** That's correct.

**Mr. Hampton:** Is that \$2 million a year?

**Hon. Mrs. Cansfield:** That's correct.

**Mr. Hampton:** So \$2 million a year. The figures I have say that Ontario households in the lowest-income quintile spent 6% of their pretax income on electricity in 2002, nearly five times more than households in the top quintile, which spent about 1.04% of their pretax income. Moreover, the typical low-income family has only about a \$300 cushion to buffer income interruptions or deal with unexpected expenditures like a very high electricity bill. Also, as I understand it, a far greater proportion of low-income households have electric heating as their principal heating source. I believe the figure is 24.5% compared to a number so low that it's not worth reporting for the highest-income quintile. Can you tell me, Minister, do you think \$2 million a year is adequate to protect all of those low- and modest-income folks, with the kinds of electricity rate increases that we've seen?

**Hon. Mrs. Cansfield:** The \$2 million is only one part of the strategy that is currently there. This is a high priority for the Ministry of Energy. As a matter of fact, when I was the parliamentary assistant, I was asked to deal with low-income in particular, and as such I sent a directive to the Ontario Power Authority to develop a program on low income because it is a significant issue. But we've been working very closely with the Low-Income Energy Network, called LIEN. That's one, along with the environmental law association. There is the emergency fund that has been put in place, but we're also working—

**Mr. Hampton:** That's the \$2-million fund?

**Hon. Mrs. Cansfield:** That's right. But we're also working with the low-income and housing sector, and there is the development of a design of a low-income energy assistance program from the LDCs; in fact, we put in \$30,000 just to design on the social housing. We took that program right across the province, into over 30 communities, and it was such a successful program that it is now designed to roll out right across the province. We've asked the Ontario Conservation Bureau to deal with that particular program. I can give you a little bit more information. It was a social housing pilot program with the Social Housing Services Corp., with 20 social housing complexes and co-operatives across the province, that will lead to a centralized energy management service for 1,500 social housing providers, representing over 250,000 units of non-profit, municipally owned or co-operative housing.

We've also looked at the issue for low income and demand-side management strategies with the local dis-

tribution companies, working very closely with the Canadian Environmental Law Association. Through this, we've developed a set of proposed demand-side management initiatives that could be undertaken by the LDCs to assist low-income households in reducing their electricity consumption and costs and the development of low-income energy conservation plans. We're using Brantford Power as an example for their Share the Warmth infrastructure. We're working very closely with Union Gas, which has put forward a similar program. Enbridge is doing exactly the same thing. We have a program that is going to be put out by Woodstock very shortly. One of the most exciting projects we've done is that we've worked with the federal government, which gave approximately \$3,000 per household and just upped it, I believe, to \$4,200. That money was leveraged with Hydro One in the north in particular, where they actually go in to look not only at the heating systems where required but also at windows, doors and weatherstripping as well as education. We recognize that this is a very significant issue. If you look at, for example, the Energy Conservation Leadership Act, we've identified even within that the changing need for bylaws. We know we have to build differently, especially in social housing. To build social housing with electric baseboard heating is unconscionable today. The only way we can make some of those changes is in working through the MUSH sector. We've made that commitment, so if and when that legislation is passed, we will be able to do it.

As I said, this has been a particular interest for the Ministry of Energy, from my side both as parliamentary assistant and the Minister of Energy. We continue to meet with the local distribution companies. Through the \$160 million they were given for demand-side management, a significant number of them have put in low-income support services particularly for over the winter months. As you know, there is also the price differential, which has been flipped so the 1,000 kilowatt hours is at the lower amount through the winter months. With places like Hamilton Hydro, for example, Union Gas and Enbridge, there will be no cut-off of supply. In Hamilton—I'll give you a good example, and it's an example of what LDCs are doing across this province—there is no shut-off of supply for any income level. In fact, they're actually helping those people manage their load. Woodstock is probably one of the best examples of load management for low- or modest-income folks, in particular for seniors.

This is one of the areas where we know a lot of people are vulnerable, and we want to work and are committed to working to develop those strategies.

**1740**

As a matter of fact, Minister Duncan took to the Canadian energy ministers' meeting down in the Maritime provinces the first requirement of an initiative to be developed on a national strategy, because certainly this isn't a problem that is restricted to Ontario at all. That initiative has actually ended up with deputy ministers from across Canada coming together. We spoke, as

a matter of fact, with Minister McCallum not long ago to look at how we could share different practices, because we know this is something we need to do.

**Mr. Hampton:** Thank you for that. I want to ask you some questions about the Bruce Power deal. As I understand it, the contract you've signed with Bruce Power requires Bruce Power to restart Bruce A unit 1 and unit 2 nuclear reactors. The reactors are targeted to restart in 2009 or 2010. Is that correct?

**Hon. Mrs. Cansfield:** Yes.

**Mr. Hampton:** The deal also calls for the refurbishment of Bruce A unit 3. The refurbishment is targeted to occur in 2010-11. Is that correct?

**Hon. Mrs. Cansfield:** That's correct.

**Mr. Hampton:** Bruce A unit 4's steam generation equipment will be replaced. This is targeted to occur in 2007. Is that correct?

**Hon. Mrs. Cansfield:** No.

**Mr. Hampton:** No? When is that targeted to occur?

**Mr. Gillis:** That's targeted to occur after 1 and 2 are complete.

**Mr. Hampton:** So sometime in 2011-12?

**Mr. Gillis:** The timing is 2010-11.

**Mr. Hampton:** But after the others are completed.

**Mr. Gillis:** That's right.

**Mr. Hampton:** OK. Just a couple of questions on cost overruns. If Bruce Power has capital cost overruns, it can pass anywhere between 25% to 75% of these extra costs on to the Ontario Power Authority, and the Ontario Power Authority in turn will pass those cost overruns on to electricity consumers. Is that correct?

**Mr. Gillis:** I don't know if you're talking about cost overruns or force majeure items. They're different. In a normal budgetary exercise, you would estimate the capital cost of the project, and any cost overruns that would occur in the normal course would be defined in the contract as cost overruns. But apart from that, there are the issues of tornadoes etc. that might cause cost overruns, and they are dealt with differently, in two buckets. On the cost overruns relating to just overrunning your budget, that would be from 50% up to 110% of the original budget. Over and above a 10% cost overrun, it would be 25% to the account of ratepayers in the province and 75% to the account of Bruce Power.

**Mr. Hampton:** With respect to unit 3, Bruce Power can pass on 100% of its capital cost increases, up to \$200 million, if these increases are identified by Bruce Power before the refurbishment commences. Is that correct?

**Mr. Gillis:** You're talking about unit 3 in particular?

**Mr. Hampton:** Yes. Not units 1 and 2 any more; unit 3.

**Mr. Gillis:** Yes, it's possible; \$300 million approximately.

**Mr. Hampton:** Can you tell me if there are similar provisions in any of the contracts that you've signed for natural gas generation and wind generation? In other words, you've got the RFPs for new natural gas generation and new wind generation: Are there similar provisions in those contracts?

**Mr. Gillis:** I think the appropriate comparator is nuclear assets. Relative to other jurisdictions in refurbishing and rebuilding nuclear plants, there would be similar cost overruns. In the normal course, what would happen is that a regulated utility would just include those capital cost overruns in its rate base and recover them from ratepayers at a 100% rate. Typically, that's the way nuclear plants are built.

**Mr. Hampton:** I'm asking, though, about the other contracts that were put out for the new natural gas construction and the new wind turbine construction. Do you have similar kinds of provisions in those contracts for cost overruns?

**Mr. Gillis:** On the force majeure side, where there are elements that could produce cost overruns, such as a tornado or hurricane and the like, there are similar provisions, yes. For a straight cost overrun—because I talked about the two categories—there are not.

**Mr. Hampton:** Just something I want to check on, because I want to make sure this is still the case. It's my understanding that Bruce Power is not responsible for the decommissioning of its reactors or the long-term storage of their radioactive waste. It's my understanding that these costs are to be borne 100% by Ontario Power Generation and the government of Ontario. Is that correct?

**Mr. Gillis:** No. Actually, in the contract they signed, under the original lease agreement, they make payments to OPG that are intended to cover that.

**Mr. Hampton:** Yes, but they make those payments; that's the limit of their liability. When the plant is decommissioned and it becomes an issue of storing the long-term radioactive waste, they're then out of the picture.

**Mr. Gillis:** Actuarial estimates contemplate what that liability would be in today's terms. According to that liability, Bruce Power makes payments to OPG that fully fund that liability.

**Mr. Hampton:** I don't have any argument with you there, all right? Somebody will argue about whether those things were actuarially correct or not some time from now, but as I interpreted it, when the plant is shut down, Bruce Power will no longer be part of the picture. They may be operating a nuclear facility somewhere else; they may be operating a new nuclear facility. They will no longer be part of the picture there. Ontario Power Generation and the government of Ontario will be solely responsible—100% responsible—for the costs of decommissioning the reactors at that time and for the long-range storage of the radioactive waste. Is that correct?

**Mr. Gillis:** Well, if we're talking about it from a liability perspective, what you would have on your balance sheet is a liability for a certain number. Then on the asset side, you would have, in this case, cash. The cash in the bank would equal the liability. If you're asking if there is a net liability left with Ontario Power Generation, then the answer is no.

**Mr. Hampton:** That will be determined at some later date. When Bruce Power is no longer in the picture, because I can't imagine them hanging around when the



nuclear facility has been shut down, Ontario Power Generation and the government of Ontario at that time will be responsible for 100% of the cost of decommissioning the units and 100% of the cost of storing the waste, yes or no?

**Mr. Gillis:** I think the decommissioning process will be borne by OPG, but the resources that would provide for the undertaking will be provided by Bruce Power on an ongoing basis. So from a cost perspective, it's Bruce Power. From a process perspective, it's Ontario Power Generation.

**The Chair:** One minute, Mr. Hampton.

**Mr. Hampton:** Your conservation officer, Mr. Love, has recommended changes to the Energy Efficiency Act to completely eliminate energy-wasteful T12 fluorescent lamps. Do you have any plans in the fall session to implement this recommendation? If so, when?

**Hon. Mrs. Cansfield:** Thank you for the question. We've received the report and undertaken to give it a thorough review. I can tell you of a particular instance, with Rabba, which did take their T12s out and put T8s in and saved themselves \$7,000 a year. It will certainly be given serious consideration, but we still have to have some time. The officials are looking at all the recommendations, and when we have an opportunity, we will respond.

**Mr. Hampton:** Is it going to happen this fall?

**Hon. Mrs. Cansfield:** We just received the report. We're going to go through the report, and as soon as we do, we will get it to you.

**The Chair:** Thank you, Mr. Hampton. Thank you, Minister. I have some questions from Ms Di Cocco.

**Ms. Caroline Di Cocco (Sarnia-Lambton):** First of all, I haven't had a chance to actually publicly congratulate the minister on her new portfolio, so congratulations on your position.

A couple of questions came to mind as I was listening to other questions being posed. To me, the clarification I would like is about clean coal, because there is a consistent argument about this clean coal. I have spoken to a number of individuals who have told me that this has been going on for about 20 years, trying to develop clean coal technology. Minister, could you clarify for me what the science really says, to the best of our information, about this clean coal technology and where it's at, or is it at all feasible?

1750

**Hon. Mrs. Cansfield:** Thank you very much for the question and thank you for your earlier comments. There are currently no technologies in commercial use to reduce greenhouse gas emissions or to eliminate mercury and other toxic emissions. For us, this is important, because we're not into half measures. We want to clean up Ontario's air and we want to do it right.

As I said earlier, if there were clean coal technologies in that format out there, then the US government wouldn't be spending up to \$10 billion looking for it. They have been doing that, so far, for 15 years. As I said earlier, there is a particular plant, for example, in Alaska where they spent \$297 million and then shut it down.

There are two small plants that are working. They are highly expensive, and they're at very experimental stages. So at this point, there's nothing dealing with CO<sub>2</sub> emissions.

**Ms. Di Cocco:** Thank you. Just one other question that has to do with conservation. I had an unfortunate discussion with some people in my community who really were suggesting that the smart meter and conservation are really a frivolous attempt at not having a plan.

Just a last comment. This changing of culture: I guess I see that it's so difficult to change the culture. We are so used to using electricity without any regard to, first of all, the true cost of electricity, and to just leave lights on is no big deal, which is different in Europe. Could you explain the smart meter and what tools that is going to provide, as well as what steps the government is taking in its own facilities to lead by example when it comes to conservation? So a little bit about the smart meter and also what we're doing with regard to government buildings to conserve energy.

**Hon. Mrs. Cansfield:** I'll start with the last question first, if I may. We made a commitment to ourselves to reduce by 10%. As I indicated earlier, the Ontario Realty Corp. is at 7.8% of that. We've taken additional measures—you know, the deepwater cooling system that will come from the Great Lakes up to the building across the street and ultimately to here that will enable hospitals and other organizations to participate in the deepwater cooling, which will deal with the air conditioning issues over the summer months.

It's a challenge within buildings. I look at my own. The Chair, as the former minister, will know that that particular building is what they call gang-wired, so it doesn't have a light switch in an office or two, and it's a real challenge to turn the lights out on a bright day. It's really important for us to lead by example, so we've been working very closely with the Ontario Realty Corp., with Management Board, to look at what things we can do.

One of the things we did is engage the 62,000 people who work in these buildings to help us design programs and policies and practices that will actually help them do their job more efficiently around energy conservation. They've come up a myriad of ideas, many of which have been put into practice. We save energy in a variety of ways. In our office, we've now started to photocopy on both sides of the paper. That saves energy. Not only does it save trees, it saves energy. You can actually do that with your e-mail. If you print your e-mail, and a lot of people do, you can print it on both sides. It's a small point, but if everybody does it, we can do it.

As to the smart metering process, not only is it smart metering, but smart people make smart choices. But there are a number of things that can be done. They measure and collect the energy uses information to support. I'll give you an example. There was a fellow I met, who lived in my area, who had these wires installed on his roof for the winter months to melt snow and ice. He had been given a pilot smart meter some years ago, only to discover that they'd never been turned off. So he'd been paying electricity through these wires for three years. He



didn't know, but once he was able to identify that even when the lights were out, something was on, he went looking to find out what it was.

Certainly in speaking to the seniors, particularly in Woodbridge who have the pay as you go, which is a kind of smart metering function, they are so enamoured of this process because they pay for their commodity as they use it and they make choices around how they use it. They talk about finding appliances that haven't worked efficiently. One fellow said to me that he's a little hard of hearing, so he didn't hear the little click; he had baseboard heating, and he discovered it was on. They use fans instead of air conditioning. So it really is an enabling tool to help people manage their electricity consumption.

It also enables people to go on the Web site, if they want, to look at their energy consumption and do some comparisons. Why is it higher than you thought it might be? Does changing those light bulbs make a difference? Of course it makes a difference, but when you actually see the difference, then you're more inclined to move forward and do others.

You can eliminate or reduce the need for estimated bills, because it's going to be actual. How many times have you paid and said to yourself, "I didn't use all of that," only to know you've paid that utility a lot of money you didn't have to, because the next time around, which is three months later or two months later, it has been reduced.

There's a litany of opportunities with smart metering. As I say, it makes smart people make smart choices.

**The Chair:** This completes our time allocated for the Ministry of Energy. By agreement, we will proceed with the votes.

Shall vote 2901 carry? All those in favour? Opposed, if any? That is carried.

Shall vote 2902 carry? All those in favour? Opposed, if any? That is carried.

Shall the estimates of the Ministry of Energy carry? Those in favour? Opposed, if any? That is carried.

Shall I report the estimates of the Ministry of Energy to the House? Those in favour? Opposed, if any? That is carried.

This completes the work of the estimates committee for this fiscal year. I want to thank the committee for the manner in which we've worked to get through as many ministries as we were able to in a short time. As Chair, I want to thank you.

To the minister, I want to both welcome you and thank you for your first estimates and to thank your staff for their brief and fulsome answers. They were all appreciated as well.

On that note, I will report, on behalf of the committee, all of the estimates tomorrow in the House.

*The committee adjourned at 1757.*







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Second Session, 38<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**

Deuxième session, 38<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

Tuesday 18 April 2006

**Journal  
des débats  
(Hansard)**

Mardi 18 avril 2006

**Standing committee on  
estimates**

Organization

**Comité permanent des  
budgets des dépenses**

Organisation



Chair: Cameron Jackson  
Clerk: Katch Koch

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATES

Tuesday 18 April 2006

COMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Mardi 18 avril 2006

*The committee met at 1600 in room 151.*

## APPOINTMENT OF SUBCOMMITTEE

**The Chair (Mr. Cameron Jackson):** I would like to call to order the standing committee on estimates and welcome all members. The committee, in accordance with our standing orders, is here to consider the estimates for the 2006-07 budget year.

We have a couple of housekeeping matters. We have had the departure and the promotion to cabinet of Ms. Di Cocco. She goes with our congratulations and—

**Mr. Peter Kormos (Niagara Centre):** And best wishes.

**The Chair:** And best wishes. If you miss her that much, you might even want to select her ministry, but I leave that up to your own imagination. With her couple of years of yeoman service on this committee, I'm sure she's not anxious to come back all that quickly.

Having said that, we do require a replacement for the governing party on the subcommittee of this committee. May I have a motion?

**Ms. Monique M. Smith (Nipissing):** I move that a subcommittee on committee business be appointed to meet from time to time at the call of the Chair, or at the request of any member thereof, to consider and report to the committee on the business of the committee;

That the presence of all members of the subcommittee is necessary to constitute a meeting; and

That the subcommittee be composed of the following members: the Chair as Chair; Mr. Garfield Dunlop, Ms. Andrea Horwath and Mr. John Wilkinson; and that substitution be permitted on the subcommittee.

**The Chair:** Do I have a seconder?

**Mr. Garfield Dunlop (Simcoe North):** I'll second that.

**The Chair:** Any discussion? Seeing none, I will call the vote. All those in favour? Opposed, if any? That motion is carried.

## COMMITTEE BUSINESS

**The Chair:** Now to the main business at hand. As you know, the standing orders require that we can choose no fewer than six and not more than 12 ministries and/or offices as set out in the estimates that were tabled in the House last week.

There will be two rounds of selections. According to the standing orders, the official opposition will pick the first two ministries, followed by the NDP picking two, followed by the government, and that rotation will repeat itself.

Members, when they make their nominations, if they would indicate the amount of time they wish to allocate to each ministry. In any given round, it must not exceed 15 hours, but we leave it up to your discretion as to how many hours you apply to one or two ministries. Are there any questions about the process?

**Mr. Kormos:** I understand what you've described now. What's the total amount of time allocated to the estimates?

**The Chair:** The total amount varies depending on two factors: One, the standing orders say we must report by the third Thursday of November; and secondly, the House leaders may agree to allow us to sit during the intercession, which has happened; it did last year. But the standing orders limit us to a maximum of 12 ministries. So today, we will select 12 in the hopes that we get all 12 done, and if we don't, then we will still report to the House.

**Mr. Kormos:** Is there amendment of the amount of time that's been allocated or elected with each proposal, obviously for the purpose of accommodating all of the selections, midway through the process?

**The Chair:** No. The process is a lock. Once this committee approves it, it goes to the House. It would be my intention to report to the House tomorrow on your behalf, and then the allocation will be locked in terms of the order in which we review ministries and the amount of time allocated. Both elements have to be contained in our report from today. That, frankly, is helpful to the ministers who have to schedule their time around when we think we'll be approximately calling them forward. We do wish them to be here, and a managed schedule like that does help.

Any further questions?

**Mr. Dunlop:** A quick question: In one of the rounds, when you're allowed a total of 15 hours, are you allowed more than two ministries?

**The Chair:** No. It is a maximum of two ministries in any given round.

**Mr. Dunlop:** Okay.

**Mr. Kormos:** But that didn't answer, with respect. Mr. Dunlop is wanting it to be clear that you can elect up to 15 hours for each of the ministries.

**The Chair:** No.

**Mr. Dunlop:** A total of 15 hours maximum, two ministries in that time?

**The Chair:** A maximum of two. You can have one ministry for 15 hours or you can have two ministries combined for up to 15 hours.

**Mr. Kormos:** Thank you, Chair. I appreciate your patience with me. I'm new at this.

**The Chair:** Well, Mr. Wilson, you've done very well with your questions.

**Mr. Kormos:** Thank you kindly.

**The Chair:** Any other questions?

**Mr. Dunlop:** Mr. Wilson?

**The Chair:** He's sitting in Jim Wilson's seat.

**Mr. Kormos:** If Wilson catches me, Lord knows what he will do.

**The Chair:** Mr. Kormos, I've never seen you move so far to the right the entire time I have known you.

**Mr. Wayne Arthurs (Pickering-Ajax-Uxbridge):** Or Mr. Dunlop so far to the left.

**The Chair:** Yes, or Mr. Dunlop so far to the left.

Are there any further questions? Seeing no further questions, then in accordance with the plan here, the clerk will be pleased to receive your first nominations in round 1. Mr. Dunlop?

**Mr. Dunlop:** The Tory caucus would like, in the first round, a total of 15 hours: the Ministry of Education for nine hours and the Ministry of Community and Social Services for six hours.

**The Chair:** Is that clear? No questions? Thank you.

**Mr. Kormos:** You have round 2.

**Mr. Kormos:** The Ministry of Finance for eight hours, the Ministry of Health for seven, please.

**The Chair:** That's clear to everyone? Who will present the government's nominations?

**Mr. John Wilkinson (Perth-Middlesex):** We will call the Ministry of Health Promotion and the Ministry of Intergovernmental Affairs. We'll split the time equally between the two ministries.

**Mr. Kormos:** How does Hansard record a [snicker]?

**The Chair:** It doesn't, Mr. Kormos.

No questions about those? Mr. Dunlop, your next selections?

**Mr. Dunlop:** The Ministry of the Environment for seven and a half hours and the Ministry of Children and Youth Services for seven and a half hours.

**The Chair:** Thank you. Mr. Kormos, you're dying to give me your two selections.

**Mr. Kormos:** Can you tell me again what were the two selections of the government for a total of 15 hours?

**The Chair:** I believe we're summoning the Minister of Health Promotion and sport for seven and a half hours. You wanted sport as well?

**Mr. Wilkinson:** I do.

**The Chair:** Oh, good. And intergovernmental affairs for seven and a half hours.

**Mr. Kormos:** I'm writing: intergovernmental affairs for seven and one-half hours. Okay. Thank you.

**The Chair:** Now that you're enlightened further, what are your choices?

**Mr. Kormos:** Please, Chair, energy—would you have doubted it?—for nine hours and municipal affairs for six.

**The Chair:** Mr. Wilkinson, do you have two more selections?

1610

**Mr. Wilkinson:** Training, Colleges and Universities for seven and a half hours and Public Infrastructure Renewal for seven and a half hours.

**The Chair:** Does anyone require that list to be read back to them? Everybody is clear with what that list is?

All those in favour of those selections? Opposed, if any? That is carried.

Shall I report that to the House? All those in favour? Opposed, if any? Carried.

It is our recommendation that we notify the ministries immediately upon the report being tabled in the House and approved, and it would be our intention to begin estimates on Tuesday, April 25. No objection to that?

**Mr. Arthurs:** Just a quick question: In the event that the House schedule adjusts at all—in my recollection, we recessed last year mid-June as opposed to late June—is the schedule likely to accommodate that?

**The Chair:** If this schedule in front—do you two have it in front of you?

**Mr. Arthurs:** We do.

**The Chair:** The one that is in front of you accommodates both the constituency week and it accommodates what the current government House leader has indicated is his intention, so we're working with the June 21 date. It may not be, but that's the one they communicated to us. We've structured that accordingly.

**Mr. Kormos:** If I can be of any help, I should indicate that the New Democrats are targeting the statutory calendar period, which is the 21st, 22nd, as the final day of the spring sitting.

I do want to thank you, Chair, and I want to thank members for their patience with me today.

**The Chair:** All right. We'll instruct our clerk to send out that information.

Are there any other items for the committee? If not, I have one small matter which I want to share with you. It's a matter that was raised last year. It is customary for the ministries to respond in accordance with the standing rules. Unfortunately, our clerk has reported that there has not been a response from the Ministry of Education to the questions that were raised. We're at a loss to understand why. I have a short statement that I'd like to read into the record to put it in proper context, as the Chair, for the committee. I don't necessarily think we need to debate it, but I think I need to share it with you so that you're aware of the concern, because we are going into another estimates and, as you can tell, we've selected education first up. This is the second full year we've not had the ministry—in the eight years I've sat in this chair, I've never, ever had a ministry do this, and I've estimated through two different governments. I just want to put this

on the record, and if there are any short comments, then, by all means.

"As the Chair of the standing committee on estimates, it is my responsibility to ensure that committee members and, in turn, this House, have appropriate access to information when considering the printed estimates of any ministry or office of the government. To this end, the committee has always relied heavily on the co-operation of ministers and their staff to provide timely responses to questions posed during the estimates process. As the committee prepares to consider the 2006-07 printed estimates, I must regrettably inform" in this instance "the members of this committee that the Ministry of Education has failed to respond to any outstanding questions from the 2005-06 estimates process. I'm bringing this to the attention of the members because this is the second consecutive year that the Ministry of Education has not provided responses to outstanding questions by the start

of the next year's estimates process. It is my hope that the standing committee on estimates will receive the full co-operation of the current Minister of Education in providing any outstanding and future responses to requests for information."

Signed by the Chair.

I don't think we want to debate this. I have to put on the record that this is a committee that functions with standing orders that require the co-operation of ministries. I'd rather just leave it at that.

Being no further business—

**Mr. Kormos:** Chair, in the words of Tony Ruprecht, hasta mañana.

**The Chair:** You know, my French is really bad.

Do I have a motion to adjourn?

**Mr. Dunlop:** I'll move it.

**The Chair:** All those in favour? Adjourned.

*The committee adjourned at 1616.*







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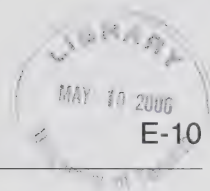
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## **Legislative Assembly of Ontario**

Second Session, 38<sup>th</sup> Parliament

## **Assemblée législative de l'Ontario**

Deuxième session, 38<sup>e</sup> législature

# **Official Report of Debates (Hansard)**

**Tuesday 25 April 2006**

# **Journal des débats (Hansard)**

**Mardi 25 avril 2006**

**Standing committee on  
estimates**

**Ministry of Education**

**Comité permanent des  
budgets des dépenses**

**Ministère de l'Éducation**

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STANDING COMMITTEE ON  
ESTIMATES

Tuesday 25 April 2006

COMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Mardi 25 avril 2006

*The committee met at 1552 in room 151.*

## MINISTRY OF EDUCATION

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates for the year 2006. I'd like to welcome all members. This is our first estimate.

Before I call forward the Minister of Education, I want to report to the committee that as per our last meeting, I did write a letter to the Minister of Education enumerating some of our concerns. I'm pleased to report that the new minister was able to respond to that letter and we received the outstanding questions that this committee had been waiting for for a year. I want to thank publicly the minister and/or the staff who were responsible for getting those to the committee. I suspect that chronic problem has been resolved, so I want to thank you.

On that note, are there any questions before we begin? Seeing none, the committee has chosen—we've reported to the House and the committee has its committee selections. We will begin our first estimate, of the Ministry of Education, for up to nine hours.

Minister, we welcome you. Please introduce your table team and then, as is the custom, you have up to 30 minutes for an opening statement. We are now in your hands.

**Hon. Sandra Pupatello (Minister of Education, minister responsible for women's issues):** Thank you, Chair, and a very special thank you to the members of the committee, who were so kind as to select education for an in-depth review over the next nine or 10 hours. I was hoping you might want to make it a little bit longer because we have so much good news to talk about, but it is a great opportunity for us to talk to the people of Ontario and also to look at the issues that might be raised by opposition members, because I think it's in our best interest to watch what it is we are doing and see that we're doing the right things for our kids.

It is a new ministry for me personally. I want to especially thank my deputy, Ben Levin, who's sitting to my left. He is the deputy of education and comes very highly qualified to the Ministry of Education. In my first few weeks—well, my first few days, frankly; I think this is day 17, isn't it? It feels like a lot more. In any event, on day 17 or so, all I have heard is such wonderful news about the respect that the community in education shows to the deputy of this ministry that I am very proud that

we have that calibre here working for the public service of Ontario.

To my right is Nancy Naylor, very well known to many people across Ontario. She's our numbers guru, but the official title is the ADM of the business and finance division. I welcome Nancy here as well.

I hope, as you may have some questions where there is some specificity required, that I have the staff available to you to answer those questions.

Here with us as well is Didem Proulx, who is the director of the education finance branch. She is sitting just behind us here. Also here are Kevin French, the ADM and CAO of finance, and Noah Morris, who is also here from the department of finance, again assuming that there may be questions specific to certain areas, regions, boards. We'll do our best. I will say too that I appreciate the comments of the Chair. We're going to try to get information to you. If there's something that we don't have here, if you'll give us a little bit of time, we'll get some information to you.

To begin, I will say that the grants for this year have not been released and have not been extended to the boards at this point, so some of it will be speculative in nature, things that we're clearly thinking about at this point, issues that we're trying to resolve. So given that our budget was so much earlier this year and we are at estimates at this point already, that doesn't give us the opportunity to give you some of the information that you might otherwise have had if this committee of estimates had sat perhaps later in the year, as it has in the past, because the grants simply aren't out at this point.

Having said that for brief introductory remarks, let me get on to talk about education.

I am so excited to be here in this ministry at such a pivotal time in terms of change and excitement in education for the students across the province, in elementary and in high school. I'm very pleased to talk about our 2006-07 estimates. I think many of us who are in education are quite excited. The Liberal caucus is home to many, many individuals who come from the education field, either as trustees, as chairs of boards, as teachers, as principals—and all of us as students, certainly. We in our caucus all have a long-standing interest in what is happening in the education portfolio, so the 2006-07 budget that was tabled not too long ago was very exciting for all of us, but in particular it shows that once again this is an education Premier and we're intending to invest in our children. I hope that members from all sides of the



House will be very happy about that, because I know that these two gentlemen sitting here today in opposition have a vested interest in us doing very well in this portfolio.

The Ministry of Education's plan to promote a strong, vibrant publicly funded education system is focused on three goals: higher literacy and numeracy achievement; improved high school graduation rates; increased public confidence in public education. To that last point, I think it's important that all of us have the means and the tools to tell our story to the public, that in fact their investment through their tax dollars is going a long way to secure the future of this province. We've set clear and ambitious performance targets for all of these goals. We want to have 75% of all 12-year-olds meeting the provincial standard on province-wide testing in reading, writing and math by 2008, and we want to see 85% of our high school students graduating by the year 2010, or, to put that another way, we want to cut the dropout rate by half. That will mean thousands more students graduating, not dropping out. These goals may be ambitious, but they're essential for all of us. Our children need excellence in education to prepare for a successful adult life. Our province needs excellence in education to create the best skilled workforce that can compete with the world for the best jobs.

I had an opportunity to speak—my first speech as Minister of Education—to the Catholic trustees association in London this past week, and I told them a story about the University of Windsor's research excellence centre that focuses on automotive engineering. They rely, in their partnership with DaimlerChrysler, on excellence in the students in their engineering program, the lion's share of whom come from our high schools in Essex county. So it's really important that the kids right up to age 12 do very, very well to prepare them to continue to do very well through high school, because our local automotive industry needs that level of success. So what we do is feeding our local industry for their successful future.

Our government is committed to getting public education right, and that means implementing our Excellence for All agenda, which most of us took out on the road in 2003 and convinced the public that this was the way to go. Despite serious fiscal pressures, we are increasing our grants for student needs—the GSN funding—to school boards by more than \$400 million in this coming grant release, 2006-07. That will increase it to \$17.3 billion. By the 2008-09 school year, the province will provide an additional \$2.6 billion in funding to school boards compared to where we started in 2003-04. That is an increase of 18%. That makes it an average funding of almost \$9,300 per student compared to where we were at in 2003-04. Over the past few months we've introduced two new bills to help us achieve our goals. That's on top of the many strategies we've already put in place, from smaller class sizes to improved teacher training to expanded intervention programs for struggling students.

1600

In these first remarks today I'd like to share our efforts around literacy and numeracy and high school graduation

rates. If time permits, I'll move on to our strategy supporting safe and healthy schools. When we're through with the time we have allotted, I know the opposition members of the committee will be so excited for more that they perhaps would like to give me more of their time so I can continue to pass on the good news that is happening in education.

**Mr. Rosario Marchese (Trinity-Spadina):** We promise.

**Hon. Ms. Pupatello:** Right.

On higher literacy and numeracy achievement, I'd like to start down the path of success that every student should be able to read, write, do math and comprehend at a high level by the age of 12. That's what our goal is. I'm encouraged by the improvements in student performance shown in the grades 3 and 6 standardized test results released last October by the EQAO. This is the second year of overall improved results in the EQAO.

The result for the 2004-05 school year showed that an average of 61% of Ontario's grade 6 English-language students were meeting or exceeding the provincial standard in reading, writing and math. That's a significant increase from the average of 54% who were meeting the standard in 2002-03 under the previous government. In French-language schools an average of 70% of grade 6 students were meeting or exceeding the provincial standard in 2004-05, compared to an average of 62% in 2002-03, again under the previous government. Last October's EQAO results also showed that the gender gap between boys and girls in grades 3 and 6 is continuing to close, and this is very important. That said, we're very much aware that we've not yet reached our goal of 75% and that large gains become more difficult each year.

We're investing in the success of our students by initiating province-wide literacy and numeracy initiatives. We have some tremendous staff in our Literacy and Numeracy Secretariat who are setting the tone out in the field, and we are hearing tremendous excitement from our teachers, who are seeing the kind of commitment we're making to this area.

We've worked with school boards to create for the first time a coordinated effort across the province to help students reach their potential. The year 2005 saw more than 295,000 students across the province benefiting from 160 programs designed to improve reading, writing and math skills. The programs were coordinated by local boards and supported by an \$18-million investment by the province.

We invested \$39 million in 2005, rising to \$146 million by 2008-09, to hire 2,000 new elementary specialist teachers in key areas such as literacy, numeracy, music, arts and physical education. I know our Olympian member can appreciate the importance of physical education in our education system.

In 2005-06 we funded 66 local initiatives with the purpose of improving classroom instruction and addressing equity of outcome for specific student populations: for example, boys, black students, aboriginal students and special education students. These local initiatives

will raise the bar and close the gap in achievement for all students.

As well, approximately 16,000 classroom teachers and 4,000 principals responsible for children in the primary and junior grades will have received multiple days of professional training by June 2006.

On reducing class sizes: Reducing class sizes in the primary grades, JK to grade 3, is the key to giving students the individual attention they need to improve their reading, writing and math skills. Our goal is to put a real cap of 20 children per class in place by 2007-08. Nine times out of 10, there will be 20 students in each primary class. Exceptions will be allowed for the remaining 10% to provide some flexibility for boards. Up to three additional students will be allowed in each primary class as a result of enrolment changes—in-year changes, for example, as kids move—to minimize the number of split grades and avoid unnecessary transportation of students.

So far, 2,400 new elementary school teachers have been funded and more than half of Ontario's schools now have smaller primary class sizes. I think this is a tremendous achievement at two and a half years into our mandate. This was accomplished through an investment of \$126 million in the 2005-06 school year on top of \$90 million the previous year. We have to note that \$36 million of that \$126 million is to be used for new construction relating to the implementation of primary class size caps.

On the strategies for literacy and numeracy, to achieve better results for students, the government has spearheaded a number of other very important strategies. The government is directly engaging schools and school boards through our innovation at the Literacy and Numeracy Secretariat. The secretariat provides professional development, targeted funding and expert collaboration with boards on local strategies to see that each child learns effectively. Our government has developed a boys' literacy initiative specifically geared to help improve boys' basic literacy skills. A specialized teaching guide called *Me Read? No Way!: A Practical Guide to Improving Boys' Literacy Skills* was distributed to teachers. More than \$5 million has been allocated to support boys' literacy projects across the province.

I just noticed that we need to have more women on this committee as well. I'm surrounded by boys here.

During the 2005-06 school year, teams consisting of teachers and principals from every school in Ontario had the opportunity to receive training in effective instructional practices to improve literacy and numeracy skills. In 2005-06, the Council of Ontario Directors of Education, that is, CODE, used a grant provided by the minister to fund 85 school board projects aimed at improving literacy and numeracy among students with special needs.

We know we've talked about turnaround teams, targeted support. Our turnaround teams program, with a budget of \$10 million, sends experienced educators and early literacy experts to provide tailored supports to schools where primary student achievement in reading

has been consistently low. Turnaround teams work with schools to identify needs and develop strategies and provide resources to help students attain the high level of literacy skills they need. Each school participates in the program for a three-year period. More than 100 schools participated in the program in 2005-06, and an evaluation of the program showed significant progress. As of 2005, 84% of schools in the first three phases of the program improved performance in the proportion of students at or above the provincial average by an average of 28 percentage points. I'll just say that again because I think it's remarkable: a 28% improvement in the grade 3 EQAO test during the period they've been in the program.

Early screening and intervention: Students should not have to "fall behind" before they get the targeted assistance they need to succeed. Screening, combined with the appropriate intervention tools, can help teachers identify the particular area of concern for an individual student and determine appropriate intervention. That's why the government has made an early screening and intervention tool available to all school boards. With it, JK, kindergarten and grade 1 students can be screened for potential learning challenges and given the help before it's too late. The early screening and intervention tool known as the Web-based teaching tool, WBTT, promotes early intervention through screening tools. It also has a database of targeted instructional strategies for the students who need them and a place for teachers to reflect on what works so they can build on student success.

The ministry, in co-operation with the Learning Disabilities Association of Ontario, began making this tool available to all schools in September 2004. As this school year draws to a close, 1,184 schools in 58 school boards are actively using this Web-based teaching tool. This means that over 2,500 JK teachers, over 3,400 kindergarten teachers, 2,200 grade 1 teachers and 369 grade 2 teachers are using this tool to help their kids succeed, and over the next school year, the ministry will be working with the Learning Disabilities Association of Ontario to increase the use of the tool among schools in the province. The LDAO will also be undertaking an evaluation of the project's success to date.

#### 1610

Student performance legislation: That brings me to the proposed bill that is currently before the House. If it's passed in its present form, this bill will help us modernize Ontario's school system into one of the best in the country. The proposed amendments to the Education Act and the Ontario College of Teachers Act, 1996—I hope you've had an opportunity to see that bill—would provide the legal support necessary to improve student performance and build a partnership in education that is based on respect. I hope that what has marked the first two and a half years of this government in education is one word: partnership. If passed by the Legislature, the legislation in its present form would clarify ministry and board responsibilities related to those goals, particularly concerning student performance. I'd like to take a few minutes to review some of the key measures in the bill.



Teacher support: Starting with teacher support, we know that to improve student performance we must support the very people who deliver education every day. Support means revoking ineffective pen-and-paper teacher qualifying tests that didn't evaluate actual classroom experience. If the bill is passed, the requirement for teacher candidates to pass the qualifying test as a condition of teacher certification would be revoked. In its place we would introduce a positive second step for beginning teachers, giving them valuable in-class support during their challenging first year of practice. The new teacher induction program would address new teacher retention and development by giving them valuable mentoring by experienced teachers and practical on-the-job training. If approved by the Legislature, this program would become a requirement for approximately 10,000 new teachers each year. Currently, \$15 million has been allocated to all boards to begin implementing and supporting components of the program: orientation, mentoring and professional development and training.

The teacher performance appraisal system for new teachers would also be modified. If passed, successful completion of the new teacher induction program would require two satisfactory performance appraisals. The result would be better-prepared and more confident teachers. The previous government showed it didn't support teacher training, because it reduced the number of professional activity days from nine to four, even though the average across Canada is nine. If approved in its present form, the legislation would remove the cap of four PA days a year. We'll then be able to amend the regulation to increase the number of PA days to six per school year and require that some of the additional time be used to promote the government's education priorities. If we are to help our students, we must provide professional development for our teachers. We need to provide them with more opportunities for shared problem-solving and give them access to new, cutting-edge teaching techniques in order to improve student achievement, because better-trained teachers mean better-prepared students.

Board performance: In the area of board performance, the new authority would enable the ministry to set provincial outcomes and require boards to meet these outcomes. Because we believe we must work as partners in education, specific outcomes would be set in regulation after some significant consultation between the ministry and school boards. The legislation would help clearly define government expectations. This would in turn give school boards the flexibility to address local needs when implementing provincial initiatives.

On peace and stability—one more point about the student performance bill: Part of the ability of students to focus on learning arises from the era of peace and stability we currently enjoy. If passed in its present form, the bill would allow the extension of teacher agreements that expire on August 31 this year from two years to a four-year term. As you know, long-term peace and stability is the foundation for progress in education and success for students.

We're also showing respect for teachers through a revitalized Ontario College of Teachers. We envision a true professional body that has the confidence of its members and the public, and that would be depoliticized and have a majority of classroom teachers on its council to carry out its mandate. If passed, this legislation would give a tremendous boost to improved student performance.

On higher graduation rates: At the high school level, our student success strategy is focused on giving high school students more learning choices and helping more of them graduate. The reason is simple: There's more at stake than ever before. High school students need to get an education that is high-quality, meaningful and prepares them for a variety of post-secondary destinations.

The stats are compelling. High school dropouts earn roughly \$6,500 less per year than graduates. That's a quarter-million-dollar pay cut over a lifetime. Four out of every five prison inmates never finished high school. Leaving school early doubles your chance of being unemployed and makes you five times more likely to need income assistance. It's simply not acceptable that we're allowing 29% of high school students to drop out and face these limited choices and uphill battles.

Our student success strategy: That's why the McGuinty government is transforming and modernizing secondary schools through a \$1.3-billion student success strategy. It's ambitious, effective and essential to Ontario's future and prosperity. Launched in 2003-04, the first phase of the plan included board-wide student success leaders, innovative lighthouse pilot projects and upgraded equipment and facilities for technology education programs. This helped the graduation rate rise from 68% to 71% in one year.

Last year, we announced phases 2 and 3. The highlights include 1,300 new high school teachers, 800 of whom are dedicated to student success programs; a student success leader at every board; proposed legislation to keep students learning to 18 or graduation; new specialist high-skills majors as part of the regular high school diploma; expanded dual-credit programs to allow high school students to earn several credits through college, apprenticeship and university courses.

Ontario is now helping each student work toward a successful post-secondary destination, whether that's workplace training, college, university or an apprenticeship. It's time we had a 21st-century approach to learning that is relevant to today's student.

Ontario's graduation target: The McGuinty government is confident that the student success strategy will work. By 2010, Ontario will graduate 85% of its students, up from just 68% when our government took office—71% in 2004-05. That's a pledge to cut the dropout rate by half in the next five years.

Imagine the entire population of the city of Waterloo wearing caps and gowns. That's about 90,000 people, the same number of additional students we want graduating by 2010. In French-language secondary schools, the graduation rate in 2004-05 was 81%.



Expanded co-op: An important part of the student success strategy is expanding co-op education. The McGuinty government wants more students to reap the rewards of workplace learning so that they can test-drive their careers. As you may already know, students can now apply for up to two co-operative education credits earned after September 2005 toward their 18 compulsory credits. This will provide more flexibility to students who are working toward graduation and want the opportunity to gain a high-quality educational experience outside the traditional classroom. Every student should have the chance to gain the knowledge and experience that only a co-operative education can provide. We're strengthening our partnerships with the business community so that co-op placements will be available to all the students who want them.

Across Ontario, there are thousands of students benefiting from co-operative education. For example, grade 11 co-op students in Sudbury are learning valuable construction skills while working with a local contractor to build a small bungalow. In Niagara, a co-op student at Subluc Dairy not only gained practical, hands-on knowledge and a part-time job; he also got to deliver a newborn calf by himself on the day his co-op teacher came to visit. At Queen's University, a grade 12 co-op student is working as a research assistant in a cytogenetics and DNA research lab. The budding scientist is helping with clinical research lab work to study the genealogy of autism spectrum disorder. How exciting is that? These are just a few examples of the successful co-op placements that I've heard about recently.

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Remember, our government's strategy is learning to 18, not classroom to 18. We want students in an education environment that suits their goals and interests while furthering their learning experience at the same time.

It should be of no surprise to you that work experience in high school is highly valued by employers. The Ontario Chamber of Commerce has stated it's essential that employers engage young people in real-life work experiences when they're making career decisions. Ninety-five per cent of Canadian employers see work experience during high school as valuable; however, only 45% of high school students have it. Employers, co-op teachers and government all share the same opinion: Co-operative education provides a wealth of knowledge and experience that every student can benefit from.

Rural student success strategy—maybe you can let me know how much time I have left in my 30 minutes. Two minutes? Thanks. I have a host of examples from rural Ontario on some great strategies for successful learning that I will share with you in my next allotment.

Let me close now by saying that I have some tremendous staff who are here and available to answer some questions. I look forward to the commentary we might hear from members of the opposition parties, but I believe that despite a difference in political parties, we are here for the same purpose. I believe we are all here

for the children of Ontario and want to do better for them. We acknowledge that we have much work to do in education, some of it around grants and some of it around relationships with our boards, how we manage the financial dilemmas that often arise in providing the bread and butter of the schools, and in the meantime keeping our eye on the ball on the kinds of goals we set for all students, whether they be students in a classroom or students through special education, the kind of betterment we have to keep providing in education.

I will end by saying that education is supposed to change. It is supposed to be constantly changing, because that means it should be constantly getting better. I think we demand that for our children.

Thank you, Chair, for having me give opening remarks. I look forward to the next nine hours, and potentially 20 hours, being made available to our committee so we can share the good news and the work of our education Premier, Dalton McGuinty, with the public of Ontario.

**The Chair:** Thank you, Minister. I noticed your staff winced at the thought of being here for 20 hours, knowing how busy they are when they're not at estimates.

I'd now like to recognize Mr. Klees for up to 30 minutes. We're in your hands.

**Mr. Frank Klees (Oak Ridges):** Thank you, Chair. Before I get into my questioning of the minister, I'd like to make a request, if I could; I believe this is in order. There are some agencies, boards and commissions under the jurisdiction of the Ministry of Education and I would make a request to have available to us for questioning at this committee the chair and the executive director of the Ontario College of Teachers. I would also like to have an opportunity to do the same with the chair of the Advisory Council on Special Education, as well as the chair of the Education Quality and Accountability Office. So Chair, if I could leave it with you to arrange for that.

**The Chair:** We will contact them and advise them of our schedule period. It is my custom as Chair not to have them sit here, but to have agreement with all three parties as to which window we would have them here and for how long. We will perhaps resolve that after we adjourn today. It's been my custom not to ask them to sit through four days over three weeks or so, but to specifically say to them, "On this day, between these two hours, all and any questions will be put to you," and we only disrupt those individuals for that period of time. So if you'll entrust the Chair to do that, I will do it, but it's out of courtesy to these agencies. Some of these people are not full-time civil servants. They're paid a per diem, but they have other lives.

**Mr. Marchese:** Chair, can I quickly ask you: What is it that you would be recommending that they do if you invite them?

**The Chair:** It is the custom of the committee, if there are requests for any agencies, boards or commissions that are served under the ministry's estimates that we're reviewing—it is in order to request their presence.

**Mr. Marchese:** To be here, if they want.

**The Chair:** They would be called upon to answer some questions.

**Mr. Marchese:** I see. If I might recommend, if the member would like those groups to be here, that would happen under his time, not mine, because I want to speak to the minister and the officers of the ministry.

**The Chair:** That's why I said to you we will work it out—all-party agreement—about how much time is required. So if the quality assurance committee is here and the government doesn't wish to ask them a question and you don't, then it'll simply be a matter of Mr. Klees's time. My job as Chair, supported by our clerk, is to ensure that there's equity in the amount of time used, but there's latitude in the standing orders to give each of the three parties fair access through this process. Is that clear? Are there any other questions? If not, then we will proceed. Mr. Klees, we're in your hands for your 30 minutes.

**Mr. Klees:** Thank you, Chair. Before I get into my questioning, Mr. O'Toole is here and he does have to leave. He has requested to put a question to the minister, and I'm going to ask him to do that now, with your permission.

**The Chair:** It's your time. If you want to yield the floor to Mr. O'Toole—

**Mr. Klees:** I do, as long as he yields it back.

**The Chair:** I will just sit back and watch.

**Mr. John O'Toole (Durham):** That's somewhat of a risky proposition.

**Hon. Ms. Papatello:** Is this a Q and A or is it—

**Mr. O'Toole:** This is our 30 minutes.

**The Chair:** It's their 30 minutes. Mr. Klees is yielding to Mr. O'Toole. If he wishes to ask you a question and you want to take up the 30 minutes with an answer, you go right ahead.

**Mr. O'Toole:** Thank you very much for that, Chair. I appreciate being recognized by the Chair. I am or not?

**The Chair:** Yes, we recognize Mr. O'Toole.

**Mr. O'Toole:** Thank you very much. It's a pleasure to see you, Minister, in your new role. Congratulations.

There are really four issues in Bill 78 that have serious concerns with me. I know Mr. Klees will be outlining them, but they are of a serious nature, with respect to special ed, transportation, the salary grid gap, as enunciated by Peel and other boards—all boards will be in deficit by next year—and the impending role or diminishment in the role of the trustee.

That being said, my primary reason here is to recognize the French-language issues, certainly in Durham. It's a high-growth area, Minister, as you know. The request is before you. They've put it before you. In fact, I met with Sylvie Landry as well as Stewart Kiff. I have a couple of requests from the Durham French-language public secondary school, Whitby-Ajax area. I know Wayne Arthurs has met with these people, as it affects his riding. I'm sure he's supportive of this. I wouldn't want to put words in his mouth; he can speak for himself. Also, the request for a French-language public elementary school in Ajax.

This is an area where our government set up, under the funding model—there are those who are arguing with it. But there are four recognized providers in public education: public and separate, French and English. What kind of response are you going to give to that group that has the need and the desire to educate students in the primary language of French? I'm going to leave that with you because I do have another meeting, but out of respect for the people in my riding and the people I've met with, I'd expect somehow, either now or later, that you'd give a response. Thank you very much. I'll leave those two submissions for the minister. So I can say, for the record, through the researcher or the clerk, that you'll get a copy of them. I expect a response and to be copied on that, if I could. I have more to say, but Frank wants all the time.

**The Chair:** Thank you, Mr. O'Toole. A copy will be sent to the minister and staff. Mr. Klees?

**Mr. Klees:** Minister, welcome, and I do wish you well as the Minister of Education. I feel for you because we understand full well that you've been left with quite a challenge by your predecessor. I'm not sure how you're going to deal with it, but perhaps in the course of the next few hours we can at least get to some of the issues that Mr. Kennedy has left you to deal with.

**1630**

Before we get into the specifics, however, I would like to get a sense of your vision as education minister for the province of Ontario. I'll put it this way: Do you believe that you are the education minister for all children and students in the province of Ontario, that you have responsibility for the education standards of all students in the province of Ontario?

**Hon. Ms. Papatello:** I think it's fair to say that this Premier is the education Premier. There's no question that, through all of my years in opposition—which was unfortunately too long: 1995 through 2003—we focused much of our attention on education because we saw the policies of the last government, which I viewed as very detrimental to the public education system. We didn't make any bones about that. We also acknowledged, through all of those years, that we had diametrically opposite opinions about public education. We're going to, in the end, agree that we won't agree on how your party valued public education, but we were very clear that we do value it and we believe that we need to instill that kind of confidence in the general public about public education.

**Mr. Klees:** Minister, my question was actually very specific.

**Hon. Ms. Papatello:** So when the Premier began all of his work to go to the people in 2003, our document was largely about education. In fact, a significant part of our platform was entitled Excellence for All and spent a great deal of our work—

**Mr. Klees:** Minister, my question was very specific, if you wouldn't mind. It was very simple. Do you consider yourself to be the education minister for all students in the province? Yes or not?



**Hon. Ms. Papatello:** I think our platform speaks very clearly to that. We called our platform on education "Excellence for All." That's actually the name of it.

**Mr. Klees:** Thank you very much. So you do?

**Hon. Ms. Papatello:** The Premier is also known as—

**The Chair:** Minister, you've given a great answer, and we'd like to move on.

**Mr. Klees:** Thank you. I draw your attention to page 3 of the estimates. Your mission statement states, "The ministry will seek relationships with the education sector and the public that are more interactive, more mutually influential." By that statement, does that mean that you as education minister will in fact be seeking relationships with all stakeholders in the education sector?

**Hon. Ms. Papatello:** I think if I use the last few days as an example, I have had an opportunity to meet with—I suppose you can't count everyone in audiences; that wouldn't be fair—tens and tens of representatives of people who have a significant stake in our education system. I like to think that our government as a whole, even before my coming to this ministry, spent an awful lot of time engaging our partners in education. I think some of the results are starting to be felt, but rather than this, it's almost like we're playing this game. If you just get on to the actual question at hand—

**Mr. Klees:** Would any stakeholders in education be excluded by you as education minister in dialoguing about education in this province? Would you exclude any stakeholders in education?

**Hon. Ms. Papatello:** The best predictor of future behaviour is past behaviour.

**Mr. Klees:** If that's the case, we have a problem because the former minister refused to meet with many stakeholders—

**Hon. Ms. Papatello:** I spent the first 16 days seeing everybody.

**Mr. Klees:** —in education in the province of Ontario. I'm trying to get a sense of your direction as the minister.

**Hon. Ms. Papatello:** Just ask your question.

**Mr. Klees:** Will you work with all stakeholders in education in this province? That's my question to you.

**Hon. Ms. Papatello:** In these next few—I don't want to say "weeks" because we've not landed on the time of our grant release, but I want to be fair and tell you that we are facing some pressure to get information about grants out to school boards. So these next few weeks—we'll probably actually be about two weeks later because of the attendance at this committee, but we're trying to get our grants out. So the next month or so, I'll probably be more limited, but in two and a half years as a minister of the crown I can't think of whom I've not met with or whom I have specifically not met with.

**Mr. Klees:** Thank you. That's encouraging. I'm sure that's encouraging to many stakeholders who are watching these proceedings, because they haven't been able to get to first base, many of them, with the former minister. So that's welcome.

Minister, in your opening statement you said the following: "Students should not have to fall behind." You

said that in reference to the early screening and innovation initiatives. Does this apply to all students in the province?

**Hon. Ms. Papatello:** Again, I think it's for every single member of this House to have an education system that works for all students. Maybe you need to be more specific in your question.

**Mr. Klees:** Does this apply to autistic children?

**Hon. Ms. Papatello:** I think that, in fairness, especially any of our children involved in special education need to be certain that we do well by our policies so that our boards have the support they need to do the best for all our kids.

**Mr. Klees:** It's a strong statement, Minister, "Students should not have to fall behind." I agree with it. Unfortunately, your predecessor obviously didn't take that to include autistic children in this province, so to hear you say that is encouraging. It's encouraging, I'm sure, to parents of autistic children in this province who have been struggling to get the attention of the Minister of Education with regard to their specific concerns, their challenges. They have that desire. They don't want their children to fall behind. So we look forward to working with you.

**Hon. Ms. Papatello:** Would you like any comment on that?

**Mr. Klees:** I think you have. You have very clearly stated that you believe autistic children should not be treated any differently than any other children in this province. That is welcome, and we look forward to seeing that implemented.

**Hon. Ms. Papatello:** I would be careful with that level of generality, because in fact that's not what currently exists in the system, but I will say that in 1995, for example, or 1996, 1997, 1998—I say this to say the kind of systematic issues we need to address—if your government had poured \$100 million into the system just for autistic children, we would not have had the personnel available and trained and ready to deliver services to this group. That was the problem, and if this member opposite is aware, and I think you might be well frequented with this issue, it is such a huge systematic issue. There are so many issues around the quality of what we're delivering that it's not black and white. It is not a black and white issue.

Because I came from the Ministry of Community and Social Services, I have a vested interest in what happened with children going through the system, because when they turned 18, they would become an adult and move into the adult community system. The best we can do for them as children is what our communities need. I certainly watched for a long time, for many years.

I remember when one of your colleagues, Brenda Elliott, was the minister and the pressures she was under when the children's ministry was then a part of community and social services. She struggled with this, and many have not got it right for many years. It is such a systematic issue, too, that it doesn't fall to just one ministry to resolve or just one level of government. It is about



the institution of how we train people to work in autism, what is the best kind of intervention. Those are key questions.

**Mr. Klees:** Minister, thank you very much. What I hear you saying is that, as the Minister of Education, with your experience in community and social services, you understand the challenges of these families and that you're willing to work with them to ensure their children don't fall behind. We're encouraged by that.

I'd like to move on to the broader issue of funding. Your predecessor was very good at making funding announcements, and he did them well. One of the questions we asked was to get a listing of all the funding announcements and the implication of those announcements on a go-forward basis. What has happened is that there's only one failure in his announcements, and that is that he failed to make the appropriate funding announcements to go with the spending commitments resulting from the programs he announced. So I'm sure that by now, after all your briefings, you've found out that you've got a huge gap in terms of what the expectations are and what the responsibilities are at the board level to deliver programs, and the amount of money they have to actually deliver those programs. Do you have any idea what that gap is for 2006-07 between the commitments boards have to deliver programs and the actual funding that's being transferred to them by the ministry?

1640

**Hon. Ms. Papatello:** I can tell you that we've invested over \$2 billion into the education system. Some of the schools in your own riding I think will tell you—

**Mr. Klees:** Minister, I'm sorry, my question is very specific.

**The Chair:** Mr. Klees, this is only going to work if you each speak one at a time. You asked the minister a question. The minister is in the process of answering it. It may not be to your satisfaction, but I have to let her finish, just as I have to let you finish your question without the minister interrupting. This is not the first time this has happened, but let's try and be patient and listen. You've chosen to engage in questions, and that is your right, but if you're going to ask questions, I've got to let the minister have time to answer, within reason. If she goes on and, in my opinion, isn't answering, I'll interrupt her. You have the floor, Mr. Klees.

**Hon. Ms. Papatello:** The total, though, is available in all the documents that have been tabled, in terms of what we were spending in education in 2003-04, what was spent in 2004-05 and 2005-06, and now, having tabled the 2006-07 budget, you can see what our prediction is to spend. If you go back and look at our actuals, then you can do your own comparisons to see what in fact has been spent.

**Mr. Klees:** In that case, if we could go to page 37 where it refers to the education grants, you mentioned earlier that your total commitment is \$17.3 billion in grants for student needs. What I would like to do is get from you an indication—just a breakdown because I can't find it. Perhaps you can get some help from your

people in terms of how these numbers work. You commit \$17.3 billion in grants for student needs. I'd like to refer you back then to page 21, where we have the overall ministry administration. We have, on page 17, the capital summary, and on page 16, the operating summary. Can you help me to understand how your \$17.3 billion squares with these numbers in terms of total expenditures?

**Hon. Ms. Papatello:** There's about \$6 billion, as you would know, that comes to boards from the local property taxes. That money is raised by them, targeted to education, and then sent to the boards of the taxpayers' choosing. With that amount and an additional amount of about \$5 billion to \$6 billion that goes out the door to school boards through grants for student needs, it leaves about \$1 billion to be used throughout the ministry in a whole variety of ways. Part of that, for example, that is left within the ministry is the operation of the Literacy and Numeracy Secretariat, which is a new secretariat. It has been extremely successful, but never mind, that's a qualitative discussion.

Where the money is: You've got a big bulk of the money that comes through, obviously, the Ministry of Finance to us to boards, a big chunk that also goes to boards from the tax assessment, and then there's the helpmate that the ministry is—through our field offices, for example, through our secretariat, through the various supports we have to boards, to parents etc. So essentially that's where your money is: \$12 billion going to boards, \$6 billion from the tax base, \$1 that is the supporting structure of the ministry. So you're at \$18 billion, the lion's share of which is going to boards.

**Mr. Klees:** And that \$6 billion is allocated on what basis? How does that \$6 billion then flow through these grants?

**Hon. Ms. Papatello:** We don't have the detail of the grants for you yet, because the grants for this year have not gone out, so there may be changes over last year. That's why it's a little unusual to come before estimates committee before the grants have been announced, because we won't have some detail that you'll look for because it's simply not been announced, it's not out to boards yet. If you want to look at what has happened historically, that has gone out the door, a taxpayer will select English public and that's where their taxes will go. Some will select French, whatever. That money then gets divvied up and sent to those boards. We do the sorting out of what's gone to what board. That's incorporated, so we know what those boards have all received, and that's accounted for.

**Mr. Klees:** With regard —

**Hon. Ms. Papatello:** Do you want more process information?

**Mr. Klees:** No, I think what I'm looking for specifically is, when those funds are directed or sent to the school board and the school board receives X number of dollars, what dictates how those funds are then spent by the school board? How is the school board guided in terms of the spending of those tax dollars?

**Hon. Ms. Papatello:** I'm going to ask Nancy Naylor to give you some more detail on the financial account-

ability, and then I'll finish with some information about what has happened recently in terms of accounting practices, which you probably will be aware of as a former cabinet minister, and what was coming down the road with the accountants across the country suddenly deciding that their deficits are our deficits and their surpluses are our surpluses. That has changed the nature of our relationship as well.

**Ms. Nancy Naylor:** Thank you, Mr. Chair. The minister's description is correct, that municipalities pass property tax revenue directly to school boards. That revenue is pooled with operating grants that are received from the province, and the overall budget for a school board is determined by the formulas in the grants for student needs, the regulation under the Education Act. So the overall \$17 billion that is provided as school board revenue consists of the operating grants from the province plus the approximately \$6 billion that school boards receive from property tax.

Your question was, how is that used? The grants or requirements of the Education Act to provide certain services, such as certain class sizes, transportation and that kind of thing, determine what guidelines the school boards use to spend that money.

**Mr. Klees:** Thank you, Ms. Naylor. What I'm trying to get at here is the transparency or the integrity of that process. How much assurance do we have that funds that leave the Ministry of Education as one of these grants—let's take, just for example, the learning opportunities grant. It leaves the Ministry of Education as a learning opportunities grant and is transferred to the local school board. So there's a clear intention of where that money goes. What assurance do the taxpayers have that in fact that money is going to be spent within the context of the learning opportunities grant? Do we have that assurance, or do you have concern that that money may well be utilized in some way other than a learning opportunities grant and the purpose for which that was intended? Either the minister or Ms. Naylor.

**Hon. Ms. Papatello:** Clearly, I'm getting a handle on all of this. This level of detail is something I certainly wouldn't have known the detail of in another ministry. But what I do know is that all boards are using an interpretation that works for them. Boards are hoping to have as much flexibility, with the formula that your government provided for them—I have heard over the last 10 or 15 days or so, since being named minister, about some significant areas of concern with the formula that your government provided them. They tell us that what they require is flexibility. So we are hoping that in our discussions with them now, as these new grants go out the door—we need a couple of things. One is an accountability for things that are going to be our priority. I think the former minister made it very clear what those things were: We need to see test scores going up; we need the dropout rates going down; we want to see primary class sizes going down as well. So we're starting to look for those kinds of benchmarks in schools.

**Mr. Klees:** Minister, would you agree that there is something fundamentally wrong, if not outright dis-

honest, if there's an expectation on the part of the taxpayers that funds are released to school boards under certain grants that are very clearly defined in terms of their purpose, and the school board utilizes those funds for other purposes? And isn't it even worse if in fact that is being done with the knowledge and the understanding of the Minister of Education, knowing that the school board is going to be applying those funds, say, for salaries as opposed to the intended purpose of a learning opportunities grant?

1650

**Hon. Ms. Papatello:** I guess the board would respond to you by saying that it depends if the salaries were going to be for higher emphasis on literacy because of the standards that we are demanding. So then they'll say, in order for us to accomplish that, that's what we need to do.

In the end, I think what you strike at is the heart of what the relationship is going to be between the ministry and the board. Yes, we need to have a kind of accountability that says, "Here are our goals. Here's the money we're prepared to put into our goals. We need you to make this work." What they're telling us is that there is an inherently fundamental flaw in the formula that the Conservative government gave them several years ago and that each year was never amended or improved, so that we now, in the last two and a half years, are grappling with in particular a few areas that you probably heard of as well, because you mentioned teachers' salaries. The Conservative government set a benchmark in the technical papers that come out with the formula that is dramatically lower than what the actual salary is out there. Now, I appreciate that your government had a different view of teachers, certainly, and of how to spend government advertising, certainly, but it was an inaccurate figure. So of course, from day one of your funding formula the boards were scrambling to figure out how to pay the real cost when you didn't apportion enough in the formula for the real cost. I get that. You don't need to be in the ministry very long to figure that out; it's in the technical papers. The number is the same number that you, at the cabinet table, and your government actually approved in the regs.

**Mr. Klees:** I hate to interrupt you, Minister, but you have answered my question. I would hope that you as minister would address that and ensure that you get some more accountability into them. Your government has been there for two and a half years, and if that formula was so flawed, the question I have and many people have is, why haven't you done anything about it? You've continued to operate under what quite frankly—and I agree—is an outdated benchmark. It should have been adjusted. It was always intended to be adjusted to deal with the current situation.

**Hon. Ms. Papatello:** Do I get to interject with an answer, Chair?

**Mr. Klees:** My last question to you—

**Hon. Ms. Papatello:** You better ask me a question about that, Frank.



**Mr. Klees:** My last question to you is this: When you transfer funds to school boards, for example, for language grants or learning opportunities grants, what census information is the board using to determine the number of students and the need in a particular school board for those grants? Can you give us that factual information? What year of census information are you using for that purpose?

**Hon. Ms. Papatello:** I'll get that information for you. I know we use the census for some things, and a whole bunch of demographic information, apparently from different sources, depending on what is currently available. But I'll provide a list for you on that, if I can.

**Mr. Klees:** Okay. And when could I expect that?

**Hon. Ms. Papatello:** As soon as I can. I don't know what your standard is, but I'll do my best.

**Mr. Klees:** Well, your standard is a year later. That's not mine.

**Hon. Ms. Papatello:** Hey, that's not fair.

**Mr. Klees:** Actually, in fact my last question would be, do you have any idea why it took your ministry a year to get us information that we specifically requested at estimates a year ago? Why would it take so long? Was it intentional? Was it incompetence? Which of the two was it?

**Hon. Ms. Papatello:** I think that in the future, as long as I am in the chair, you should direct all your questions to the minister, and any of your comments about the ministry would be directed to the minister. So if there is a minister who didn't respond to you, then you should take it up with the minister.

Having said that, just to answer your previous question, when your government came out with the formula, it was already outdated, and you, after seven years, still did not update the formula that you created. So two and a half years is some time, but it's hard to get out from a hole of eight years in two and a half, and we are doing our level best to make things right in terms of accountability, assisting boards to deliver not just what they want but what we want, and frankly, Frank Klees, I think what you want. I believe that you, sir, want lower dropout rates, higher literacy and numeracy scores and smaller class sizes. It's just one of those things, that finally we are having a qualitative discussion in education, and I'm very excited about that opportunity.

**Mr. Klees:** I want all of those and I also enjoy responses to my questions, so when can I expect that information regarding the census?

**Hon. Ms. Papatello:** I can't tell you, but when I see you in the House tomorrow—

**The Chair:** Thank you. I'd like to recognize Mr. Marchese for up to 30 minutes. We're in your hands.

**Mr. Marchese:** Minister, what I'm going to do is make some statements in response to much of what you said, and when I'm done with that, I'm going to ask you some questions.

First of all, to talk about Bill 78—and I'm not going to take too much time for that bill because I did my one-hour lead in the House, and we're going to take this bill

for committee hearings, so I'm not going to take too much time to talk about that except to make reference to your point, which said—by the way, Bill 78 is the bill you call student performance; so-called. What you said is, this is a bill that shows respect for teachers through a new, invigorated college of teachers. What I want to say to you is that what you have created is a college of teachers that has one extra teacher in that body, and that's not bad. It's better than having 50-50, but it's 19-18. There are 37 members and there's one extra teacher in terms of the numbers. That tips the number of teachers on that board. So that's okay. It's not as much as Gerard obviously wanted, but clearly the former minister was having pressure from the Tories and was worried about them. But at least he put one extra teacher on the board, which makes it seem like they have control and, to a great extent, they do. Hopefully, nobody gets sick; hopefully they'll always be there to have that control.

What you've created in that bill that I believe is highly disrespectful and suspect is a public interest committee. Remember, this college of teachers does two things: (1) It pulls a licence away from a teacher, and (2) it probably provides some professional development for all the boards. I think that's a good thing, by the way. I find it crazy that we have a whole body of people involved in doing those two things, where boards can easily pull a licence away from a teacher. In terms of providing professional development, boards could do that, but it's nice that this college of teachers might provide some centrally managed professional development. These are the two things that this college does. I find it amazing we have such a body to do so little.

But then your former colleague, the now gone Mr. Kennedy, created a public interest committee made up of—

*Interjection.*

**Mr. Marchese:** Sayonara, Minister. You're going to create a public interest committee of three to five people who are going to be highly paid to basically administer the oath, because now teachers are going to have to take a public interest oath, a provincial oath. They already have to take an oath in this college of teachers, but you're going to force them to take another oath, a public interest oath, which is the new provincial interest oath, and you're going to have this body, the public interest committee, administer that oath and the contraventions of the oath, blah, blah, blah. Highly paid individuals to do what? I just don't know. God bless you, Liberal government, for creating yet another level of bureaucracy to oversee this college of teachers on the basis of I don't know what, except it's going to provide jobs to somebody. To do what? Administer the oath and presumably to show respect for teachers. That's why you have this new body, because you want to show respect for teachers through this invigorated college of teachers.

I hope, Minister, you look at this insanity your former minister has created and see the light and make some of those changes. You might be able to do it. Who knows? On the other hand, you might just have to keep the bill as



it is, and Marchese will attack you and your government in committee, which I promise to do.

The other comment you made is that you have a commitment, your government has a commitment, to make sure that 75% of students up to age 12 are going to meet and/or surpass the provincial standard. I don't know whether you were a teacher before—I don't think you were—and you don't have to be a teacher to know this.

1700

*Interjection.*

**Mr. Marchese:** Yes I was. What I've been saying in the Legislature is that this was a crazy promise that you made, that your former minister made, that your government has made, because you can't keep it. I'll tell you why.

I know you're going to pay close attention to it now that you're the minister—I'm very pleased that you are—because we're going to enjoy this battle, you and I, around issues like this.

The former Conservative government introduced this Education Quality Assessment Office to undermine the educational system. Then they used that office and those tests to show first of all that the system was broken and then to show that once they introduced this test, test numbers and grades would simply go up. Do you see, Sandra?

You might be aware or not, but when Gerard was the critic, he understood that they politically—they, the Tories. Whenever I say, to the public watching, "they," I mean the Tories here. They politically manipulated that test in order to increase the numbers. Gerard knew that and Marchese knew that. We both attacked them when they released the numbers four, five or six years ago, whenever it was. We said that the way they were increasing the numbers—and not through qualitative changes in the educational system, but you manipulate the test. Lo and behold, for your government to be able to get to this number, from 55%, 56% that the Tories had us with to your now getting to a 61% and so on—what I've been guaranteeing through articles that we are writing and statements I make in the House is that you're going to get to your goal. But the only reason you're going to get to your goal is because you're manipulating the test. It's a political manipulation of how you get to that goal. You can say all the blah-blah you want about how you're getting there but this is what we've said.

We've said that in the last test that students wrote they used calculators to compute mathematical questions. Your minister in one of these committees denied that. We know from teachers that you couldn't use them before, but in the last test they did use calculators. It's good advice from staff so that you're well informed. You're already up to scratch; it's beautiful. These students, for the benefit of those watching, now can use calculators. We've been hearing some gossip about the ministry possibly wanting to get rid of calculators but I think they can't. It's an interesting thing to witness. But that's gossip. We'll deal with that another day.

The test was 12 hours long and they reduced it to six. It may not be a bad thing. But instead of having students

suffer 12 hours, now you've shortened the time to six. What they have allowed, the EQAO, is to permit students the whole length of the long day if they need to finish that test, which they couldn't do before. And you've made some of the questions simpler based on our discussions with many teachers who have done this and marked—I know, Sandra, you find it difficult to cope with, but as I endured your half-hour, I'm just going to almost finish these statements and then ask you questions so we can engage each other.

What I'm saying to you is, the way you're increasing your numbers is to manipulate the test. You don't like to hear it and your friends don't like to hear it, and you can smile about it and say, "Ha, ha, ha," about all the money you spend that's making the difference and all these thousands of teachers—and I'll get to that in my questions—that you've hired is making that difference. But for the benefit of those watching, it's the manipulation of the tests that's increasing your test scores and raising the standard.

Third, the flawed funding formula. The Tories introduced a funding formula that was flawed. You, Minister, know that. Your former colleague who was the minister then knew that. Marchese knows that. And what Marchese is telling today is that you're still using the same Conservative funding formula that was flawed and continues to be flawed. You can accuse the Tories all you want, but after you've been in government for two and half years, if you know that the funding formula is flawed and you haven't changed it, you're just as guilty as they.

You can even attack the NDP government, as you often do, even though you weren't here and you don't know what we did or didn't do. But it doesn't matter. You'll continue to attack whoever you want, and you will. But the reality is two and half years, and your education Premier and your former education minister have not changed the funding formula. And do you know what? You're not going to either, and you should. But I could be surprised by you. Who knows?

Here are my questions to you, Minister. The Dufferin-Peel Catholic board posted a deficit for this year. How many other boards are currently posting deficits?

**Hon. Ms. Pupatello:** Thanks so much for all your commentary. I have to say that.

**Mr. Marchese:** No, no. Those were just statements. Now to the questions.

**Hon. Ms. Pupatello:** I appreciate your comments because I know you're a teacher by trade and that you have lots of friends who are still in the business.

**The Chair:** Minister, I have to interrupt you. You have a 30-minute period, which will start soon after 5:25, in which you get to formally rebut any of the commentary. Mr. Marchese was very specific. He just asked you how many school boards, to your knowledge, are currently carrying a deficit.

**Mr. Marchese:** That's right.

**The Chair:** I've had considerable experience with Mr. Marchese. That's the way he likes to do his estimates. As Chair, I'm going to support him.

**Hon. Ms. Pupatello:** The answer is that it's probably changing daily because the boards, as you know, have a rolling kind of budget as they go through the year. One board's position, for example, that you've asked me questions about in the House has changed again in the last couple of weeks from two weeks ago. There is a handful that are suggesting to us that they are above the one percentage point on deficit, but in the main, as you know, it does change regularly and we're working with all of our boards.

**Mr. Marchese:** Okay. So the answer is that it's changing daily. How many boards projected deficits in the initial estimates they presented to you?

**Hon. Ms. Pupatello:** I can't tell you that but I'll have that for you shortly.

**Mr. Marchese:** I wouldn't mind the deputy and others answering. That would be very helpful.

**Hon. Ms. Pupatello:** The answer is none.

**Mr. Marchese:** So in the initial estimates they presented to you, no board—none.

**Hon. Ms. Pupatello:** Right.

**Mr. Marchese:** How many boards are in negotiations with you around their budget deficits?

**Hon. Ms. Pupatello:** Six. There is a total of 72 boards and we're talking to six boards.

**Mr. Marchese:** The Toronto Star reported in February that it's the Toronto Catholic, Upper Canada, Wellington, Bluewater, Algonquin and Lakeshore Catholic. Are these the ones? Is there any one I missed?

**Hon. Ms. Pupatello:** I can't tell you that. You may have missed one.

**Mr. Marchese:** Deputy, do you know? Anyone else?

**Hon. Ms. Pupatello:** We'll get you a list, if you require it, but that may encompass some of them.

**Mr. Marchese:** By the way, Minister, I don't mind if the deputy or others answer, because they obviously have the knowledge—you've been here a short while; I don't expect you to know all the answers—so we don't have to bring it another day if they know it.

How many boards dipped into reserves this year to balance their budgets?

**Hon. Ms. Pupatello:** I can't tell you this now but I may soon.

**Mr. Marchese:** What about the deputy minister? Does he know?

**Hon. Ms. Pupatello:** I'll get you some information if I can make it available to you. As you know, some of the questions you're asking speak to the accountability and transparency of financial information in our work with school boards, and I can tell you that in my own discussions with some of the specific school boards, some of the questions that I ask around the difficulties they're telling us they're having lead me to say that we are going to have an era of greater transparency where some of this will be very obvious.

**The Chair:** Thank you, Minister.

**Mr. Marchese:** If I can, to the deputy minister: Do you know the answer to that question?

**Mr. Ben Levin:** I don't at the moment, no. We'd have to look that up.

**Mr. Marchese:** Other people work for you who probably deal with these issues. Does anybody else know?

**Hon. Ms. Pupatello:** I'll get some information to you. I'd rather not do that today.

**Mr. Marchese:** So I'm going to ask you questions and then you'll give me the answer another day. What if I have different questions? You'll just send me the answers, write the answers? What are you going to do?

**Hon. Ms. Pupatello:** We have 10 hours—

**The Chair:** Excuse me. I will just state for the record that the process is rather simple. We have a researcher taking down the questions. The minister's staff are taking down questions. It's an expectation that we'll have those answers tomorrow before we begin, and where it's a custom and a courtesy that if the deputy is in a position to answer, he'll answer.

**Mr. Marchese:** Thank you.

**The Chair:** I didn't take away from your time when I gave this explanation. I just want to make sure it's clear that the expectation from the Chair and this committee is that you'll get those answers in writing before we begin tomorrow.

**Mr. Marchese:** Thank you very much. How many boards have completely depleted their reserve funds?

**Hon. Ms. Pupatello:** I can't tell you that right now but I'll see if I can get you that information.

**Mr. Marchese:** Could you provide a breakdown of all the boards and how much they have dipped into reserves this fiscal year and last?

1710

**Hon. Ms. Pupatello:** If we have that information available, I'll try to make it available to you. As I said earlier, as we go through the year with boards, their budget changes regularly. So to use Dufferin-Peel as your example earlier, their position in November changed in February and changed again as we've been sitting with them in April. To give you the accurate information means that we'd have to have the very latest of the current position of that board, which has changed.

**The Chair:** Mr. Marchese, if I can be helpful, it's usually customary to pinpoint the day on which the boards are required to file, and that becomes the threshold day. If that's of any assistance to Mr. Marchese, those are a matter of public record and they are a composite of all boards on that day.

**Mr. Marchese:** Thank you.

With regard to the investigators you sent to the Dufferin-Peel Catholic board, what was the charge per hour, or on what fee basis were the investigators paid?

**Ms. Naylor:** We paid expenses. One of the investigators was hired as a ministry employee, one was hired on a secondment from the board association he was working with, and their expenses were fairly modest, actually.

**Mr. Marchese:** Do you have a number?

**Hon. Ms. Pupatello:** We can get that for you.

**Mr. Marchese:** But she knows.



**Ms. Naylor:** Not off the top of my head.

**Mr. Marchese:** How could you know it's modest, then? How could you know it's modest if you don't know?

**Ms. Naylor:** I remember doing the contract. I just don't remember the exact numbers; sorry.

**Mr. Marchese:** When did the ministry receive the investigators' report?

**Hon. Ms. Pupatello:** I think the former minister received the report the week before he moved from the ministry.

**Mr. Marchese:** The week before—

**Hon. Ms. Pupatello:** He moved from the Ministry of Education.

**Mr. Marchese:** Does the deputy know the date when they received the report?

**Hon. Ms. Pupatello:** I'm trying to think of the day that my whole world changed here, Rosario. Hang on a second. It was the week of April 6.

**Ms. Naylor:** The report was received the morning the minister released it.

**Hon. Ms. Pupatello:** I think you're probably getting to a point here, so if you get to the point of the questions we'll try to figure out what information you need based on this question. Whatever you're driving at, we're happy to tell you.

**Mr. Marchese:** Okay, I guess you'll know now. Can you explain why you posted it to the website and distributed it to the media before you shared it with the trustees?

**Hon. Ms. Pupatello:** In think, in speaking to the chair of the board of Dufferin-Peel Catholic personally, he would have preferred to have more time before. He apparently received the report at the same time as it was posted. It wasn't before; everything was at the same time. I don't think that the chair was available to go through the detail the moment that it became available to him either, because it's a volunteer position for him.

**Mr. Marchese:** His letter of April 7 was sent to you. It doesn't say that they received it at the same time. His letter says, in the fourth paragraph, "The board, having received the report only late in the day on Tuesday, April 4, barely two business days ago, has not yet had an opportunity to meet and consider the impact of the board's recommendation."

**Hon. Ms. Pupatello:** Yes. In fact, his report was made available to him at the same time. He didn't have the time personally to see it at that same time. I appreciate his voluntary position as chair.

**Mr. Marchese:** If Peter Ferreira is the chair, he didn't receive it at the same time.

**Hon. Ms. Pupatello:** In fact it was made available to him at the same time. I think the point you're trying to make, that I happen to agree with, is that he probably could have done better in response to media questions if he had had an opportunity to read the report. The way things happened, it wasn't the case. I will tell you that my conversations with the chair in the last few days have been very accommodating.

**Mr. Marchese:** No. I know, but my point is that you talk about a relationship of respect, and so my question is, you posted it on the website and distributed it to the media before you shared it with the trustees—that's my point.

**Hon. Ms. Pupatello:** Actually, no, I didn't do that. In fact, all of that was before I was named Minister of Education. I think if you do have specifics about that kind of detail, you might want to address that with the former Minister of Education.

**Mr. Marchese:** Peter Ferreira says, "It is our understanding that the ministry was in possession of the report for several days before its release, providing ample time for the report to be shared with the board, yet the ministry chose to release the report to the media and post it on the ministry website before sharing it with the board. We consider this approach to be disrespectful of the parents of Dufferin-Peel." You're saying something different and your deputy is saying something different as well.

**Hon. Ms. Pupatello:** I'm saying you should direct your questions to a former minister, because in fairness, everything that preceded me in my relationship with the board is exactly that: It preceded me. I anticipate, much like the response I've had so far from that board, a very positive relationship.

**Mr. Marchese:** Does your deputy have knowledge of this?

**Hon. Ms. Pupatello:** My deputy was not involved in the—

**The Chair:** The question is to the deputy.

**Hon. Ms. Pupatello:** No, the question is to me, actually. I think I refer the questions to my staff if required.

**The Chair:** No, the Chair can direct them and the member can direct them to—

**Hon. Ms. Pupatello:** The reality is that that was a relationship between the minister—

**Mr. Marchese:** The Chair is speaking. He's speaking. *Interjection.*

**Mr. Marchese:** Actually, the Chair was speaking while you were talking at the same time.

**The Chair:** It's fine. We can call a recess; we can do whatever we want.

Minister, members have the right to ask a question of a member of your staff, and we appreciate your cooperation.

**Mr. Marchese:** The minister was just coming on board and—I mean, the deputy minister has a great deal of knowledge. Having been a former minister, I know they are in full possession of much, much knowledge. I'm just asking him whether he was familiar with this letter and the report and when it was posted, why it wasn't shared. Are they wrong? Is the chair wrong?

**Mr. Levin:** I was certainly not aware that the report had been posted before it had been made available to the Dufferin-Peel board. My understanding is that it had been given to the board before it was posted on the Web. But I



do know that the former minister had spoken with the chair of the board about the report—

**Mr. Marchese:** I know that.

**Mr. Levin:** —before it was posted and before it was officially transmitted. They had a discussion about it by telephone. So the contents of the report were not a surprise to the chair.

**Mr. Marchese:** I know they talked, but in terms of what was issued on that website—I know the minister talked to Peter Ferreira, but putting this on the website before giving the board notice of that report I think is disrespectful, as they said, and it contradicts your point about building a relationship of respect.

On April 6, you told the Legislature, Minister, with regard to the Dufferin-Peel Catholic board, and I quote you, “This government has never been about program cuts and we’re not about to start now.” But you’re trying to force the trustees to make cuts, are you not?

**Hon. Ms. Papatello:** No. Actually what we’re trying to do is encourage this board to balance its budget. As this member knows, this is a board that received over \$100 million in new funding and has had an enrolment increase of 3%. So with a 3% increase in enrolment and a 19% increase in funding, we’re asking some very basic questions. I hope this MPP took the time to actually read the report that was done by the investigators that went in there—

**Mr. Marchese:** I’ll get to that.

**Hon. Ms. Papatello:** —because I think some of the information outlined some \$22 million in ideas to help them achieve, but they are now looking for far less than that in terms of balancing their budget, which is why it’s such a hopeful situation.

**Mr. Marchese:** This member has reviewed the report; I’m happy that you have too.

On page 31 of your investigators’ report it states, “We find that the board was right when it said that there are funding inadequacies in the areas of salaries and transportation.... balancing the budget in these circumstances will almost always result in a reduction of services provided by the school boards.” What’s the difference between a reduction of service and a cut?

**Hon. Ms. Papatello:** Again, I’ll go back to the days of the development of the funding formula. From day one, the Conservative government identified a salary, in the technical paper that supports the formula, to be less than the actual salary paid. Again, with that government having delivered \$2 billion in cuts, two and a half years will not give us the time to do two things that I know are of interest to this member as well. You can’t climb out of the hole of appropriate levels of funding for the number of kids we have, plus mark the kind of qualitative improvement that we want in the system, in a short three-and-a-half-year term. We absolutely will need our next term of government to move even further in the area of student success in Ontario.

**Mr. Marchese:** So in terms of my question—what’s the difference between reduction in service and a cut?—we don’t get an answer to that; we just get an answer that

says, “They caused a funding formula problem, and we just can’t solve it in two and a half years.” Okay.

Your investigators recommend that as secondary enrolment increases at the board, the additional funds generated by new students be put towards deficit reduction and not new services for those students. That’s on page 18 of that report that you read, Minister.

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**Hon. Ms. Papatello:** If this—

**Mr. Marchese:** I haven’t asked you the question. Maybe I should reread it, because you were talking to the deputy. My question again is: Your investigators recommend that as the secondary enrolment increases at the board, the additional funds generated by new students be put towards deficit reduction and not new services for those students. That’s on page 18 of the report that you so thoroughly read. Does that strike you as being compatible with Dalton McGuinty’s vision for education?

**Hon. Ms. Papatello:** I can tell you that this board, despite how you’d like to characterize our relationship, is doing very well in the area of primary class size, for example. They are hitting targets; they are middle-of-the-pack in the area of test scores—

**Mr. Marchese:** But I didn’t ask you that; I’m sorry.

**Hon. Ms. Papatello:** But those are the kinds of qualitative targets—

**Mr. Marchese:** I’m sorry, but—

**The Chair:** I’ll give you more time.

**Hon. Ms. Papatello:** —that we insist on boards meeting. So I have to tell you that you’re selecting your targets, and I’m suggesting that the board is doing extremely well when it comes to student success and we want them to do better. So, yes, they have issues around balancing the budget; they need to get at it. If you were to look at that report that you say you’ve read, it suggests a higher-than-average board administration. In this day and age, with our focus on quality for students, it means that they do have some work to do, and I make no bones about that.

**Mr. Marchese:** I repeated the question twice, and I’m going to repeat it again. If you don’t have an answer, just say, “I don’t have an answer.” Your investigators recommend that as the secondary enrolment increases at the board, the additional funds generated by new students be put towards deficit reduction and not new services for those students. Do you agree with that?

**Hon. Ms. Papatello:** I will tell you that this board has to meet our qualitative demands, as every board does; and they will use this report—and you need to remark, as well, that the investigators are people with long legs in the education community who have a remarkable track record. They weren’t auditors or bean-counters just looking at numbers; they were people from education who said, “Their issues are entirely manageable.” He was very pleased to see that he was able to come up with some samples, for example, for a deficit that frankly may be less than 1% by the time our ministry officials finish working with them in this next week.

**Mr. Marchese:** So you say—

**Hon. Ms. Pupatello:** This is entirely manageable for this board.

**Mr. Marchese:** You say that the board must meet your qualitative demands. The question I asked you was that if there are more students and they will generate extra money, it should not be put to new services. That is a qualitative issue; it means that those students are not going to get the benefit of a qualitative demand that presumably you would want as a minister. You're saying it should deal with its deficit. Is that what you're saying?

**Hon. Ms. Pupatello:** I suggested that the board does have to balance their budget, yes.

**Mr. Marchese:** And that's a qualitative demand? Is that an educational requirement?

**Hon. Ms. Pupatello:** I will tell you that the board submitted a deficit plan; they suggested that they might have \$15 million of a deficit. That is no longer the case today. In fact, one week later they are significantly lower in the number that they're projecting—to the extent that, in the scope of the Dufferin-Peel Catholic board's \$700-million budget—that's the size, the sheer size of it—we're talking far less than \$15 million now. This is an entirely manageable number. I don't know if your intervention caused this to be more political than it ought to—I'm not certain—but this is an entirely manageable number. And if we have good people that are working there, we will manage this issue with this board. I am totally confident of this.

**Mr. Marchese:** I'm asking very specific questions. I don't know what you think I'm getting at. If you don't know what I'm getting at, Minister, you've got a problem understanding it. If you tried dealing with the questions, I think it would be a lot easier.

Your investigators recommend increasing the average class size in secondary schools. Is this acceptable to you?

**Hon. Ms. Pupatello:** If the board decides that they are meeting a qualitative standard that they've set out for the students there, I think that they will make choices. What this board has suggested, which frankly all boards have suggested, is that they want to maintain flexibility with the funding formula created by the previous government that was inflexible, that caused enormous trouble for them, to get at the kind of quality that they're looking for. Last Friday, I chatted directly with several of the trustees of this board. They suggested some of the alternatives that they would prefer to look at, and I'm suggesting that finally we're having the kind of dialogue that we need to have with this board. I'm very happy about that.

**Mr. Marchese:** I don't know about that dialogue, but your investigator is recommending increasing the average class size in secondary schools. Does that sound like a qualitative standard to you?

**Hon. Ms. Pupatello:** I will tell you that this board's history is that they are actually below the cap size of 20 already in the JK to grade 3. They're doing tremendously well on this score.

**Mr. Marchese:** What this investigator—someone you know very well, you said in the Legislature—is recommending as a way of dealing with its fiscal problems is

increasing the average class size in secondary schools. You're proud to say you're reducing it at the elementary level, but are you okay with increasing the average class size in the secondary school as a way of dealing with the deficit?

**Hon. Ms. Pupatello:** I will tell you that this investigator—two investigators—made several recommendations and I think that we may have—

**Mr. Marchese:** I'm going through them.

**Hon. Ms. Pupatello:** I think there were about 19 or 20 recommendations.

**Mr. Marchese:** I'm going to go through a few.

**Hon. Ms. Pupatello:** And so you should.

**Mr. Marchese:** They're all here.

**Hon. Ms. Pupatello:** I think if their deficit were of the magnitude that they may have imagined initially—the investigators made more recommendations for more millions of dollars of savings.

**Mr. Marchese:** But you don't have an answer to my question. My question is very simple. You don't have an answer, is what I'm getting.

**Hon. Ms. Pupatello:** No, the investigators made a number of recommendations to assist the board.

**Mr. Marchese:** I know that. But I ask you specific questions, and they're very simple.

**Hon. Ms. Pupatello:** The board was investigated by these two individuals. These two individuals have a long history in education. They tabled a report of recommendations. The recommendations are not the ministry's recommendations.

**Mr. Marchese:** You're quite right. When a minister hires an investigator, with the trust that they have in the investigator, and that individual makes recommendations to deal with a deficit that clearly affects education, you've got a problem in terms of how you are going to deal with it, because he's saying they need to make program cuts. You keep rambling about other things rather than answering the questions.

Another recommendation made by your investigator, someone you know very well, says that your investigators recommend firing vice-principals to achieve savings of \$2 million. How many vice-principals would have to be dismissed to achieve these savings?

**Hon. Ms. Pupatello:** Again, this investigator made some 20 recommendations. This individual is from education. His recommendations are not mine. They both tabled 20, various things that they could look at.

**Mr. Marchese:** I know. I'm going through them.

**Hon. Ms. Pupatello:** I think you should go through them.

**Mr. Marchese:** Minister, I—

**The Chair:** Mr. Marchese, one minute.

**Hon. Ms. Pupatello:** I suggest to you—

**Mr. Marchese:** I find it difficult that you find it difficult to comprehend. You're a minister of the crown. If you can't understand my questions, we are in trouble.

**Hon. Ms. Pupatello:** I think that if I had been the investigator, I might have come up with a separate list.



**Mr. Marchese:** Do you believe the vice-principals serve an important role in the school setting or are they superfluous?

**Hon. Ms. Papatello:** [*inaudible*] ... becoming a smaller issue every day.

**The Chair:** Thank you, Mr. Marchese.

**Mr. Marchese:** We will come back to this, Chair. Thank you so much.

**The Chair:** I appreciate that.

Minister, we now have until 6 of the clock. If you wish to do any commentary—

**Hon. Ms. Papatello:** Is this all my time?

**The Chair:**—you now have 30 minutes. It's hard to believe, but you're there.

**Hon. Ms. Papatello:** Stop looking so excited about that.

I brought a number of notes, and you'll forgive me for wanting to refer to my notes, because there's so much good news in education.

But I do want to respond to a couple of comments that have been made here. One of them was made by an educator, an individual who is a teacher by profession and member of the NDP. He suggested that our government is somehow skewing scoring and all of this. Can we be clear? The last government set up this testing. First of all, the member opposite was suggesting that they somehow tainted the results. I've got to be honest with the member from Trinity-Spadina: They absolutely did not skew the results—because the results were poor. If they were going to use them to advantage, I think the Conservative MPPs here would admit that they didn't do a very good job of skewing, if they were going to skew them. Not only that, over their term, the numbers didn't go up. You would have shown, at minimum, a constant increase, and in fact it stalled. So no, the numbers weren't skewed. I would love to be able to say that that's what the previous government had done.

Moreover, to this particular MPP who is asking about our ministry and whether it's politicizing the use of testing etc., the EQAO is chaired by none other than Dr. Charles Pascal, who was the Deputy Minister of Education under the NDP government, in particular selected to work with Dave Cooke, another MPP from the Windsor area of that time. I find it surprising that he would make commentary around the politicization of scoring and testing, but I think that is a worldwide discussion. I will tell you that our own government has scoured the world to see what is happening in education, to know that we're doing the very best, the very latest and the most innovative in education.

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You mentioned something as well about a calculator. I have to say that for many years now students have been using calculators in classrooms and on tests. I'm not at all surprised that they were being used in any of that testing. We're probably surprised because we're of a different age, frankly. We had to memorize our times tables, and I'm not certain that they continue to do that. Some of the

members might have been using an abacus, frankly, when they were going through the system. I don't know.

But in any event, I want to say that, overall, it has been two and a half years, and I'm tremendously proud of our record in that time. I can tell you that in discussions with people, some of them are saying, "Okay, let's stop and take a breath now. We've got so much great change; let's take some time to internalize all of this," and yet just now is the time that we've got to start laying on the accelerator and say, "We're not done yet. We have more to go."

Setting a goal of 75%, achieving 70%, on those literacy scores—I think we need to go higher, and I think that may well be in our second mandate. I certainly hope we have that, because that's not what we had under the last government. We had 52% of our kids scoring at that level. That, in my view, is an appalling level of success. Not only that, it was very reflective of the mood of the time, and I think it's fair to say that our mood in education has changed dramatically. There is a hopefulness today in that classroom.

I've been going to classrooms since my own election in 1995. I have gone relentlessly more than once a year, twice maybe. At the time, it was grade 10 classes, and I'd go to talk about government. Now I'm going to grade 5 classes to talk about government in a whole different way, but in any event there is a dramatic shift in how people feel in that classroom. We had teachers here today at Queen's Park who brought in their classes and I asked the kids, "What do you think about your teachers here?" They were cheering with their teachers. I could see that the teachers were smiling—teachers prepared to go the extra mile.

We've got some markers that I say we should use to score how well we're doing in developing our partnerships. We have had thousands of teachers who during these past summers have given voluntarily of their time to come in for training to prepare for the next school year. That is telling, in my view, of how people feel about what it is they're doing. Here's what teachers have said to me: "Finally, I feel like I'm being appreciated. I feel like I'm being treated with respect. I feel like I'm being treated as a professional." I think that's important. That's the only way we're going to be able to call them around the table and use their expertise to say, "How are we going to do better for those kids?"

I started early on to say that we had better be changing. Education is a constant changing, roiling kind of an organization. My deputy knows this better probably than most in the area of educational thinking, the philosophy of education, what's happening. He has been a deputy in other parts of Canada, affiliated with OISE here, which leads the nation in thinking about how we get that education right. I think it's fair to say that, as he travels all over Ontario and meets face to face with teachers, it's palpable, the excitement that's out there.

I've brought with me and I expect to share with you over the course of these next 10 hours during this committee—many of you are maybe regretting that you ever



called this ministry to estimates, but I have a host of good-news stories that I'm going to share with you, some of them in your own ridings, stories of success of programs and what it means for kids.

If the Chair could just share with me how much time I have left now.

**The Acting Chair (Mr. Wayne Arthurs):** Twenty-five minutes, Minister.

**Hon. Ms. Papatello:** Oh, I think I'm going to have time to get into so many of these good-news stories even now, as soon as I have them sent over to me.

On what would be considered student success and what our plans are for student success, some of the things that we've done in funding lighthouse projects, really great ideas that are going out there that need just a little bit of seed money, a little bit of investment to get a tremendous result, where we're taking kids in rural parts of Ontario, urban communities, what we call "lighthouse projects" that we're going to say, "Are these working? Is this something that should be spread out across Ontario?" because it works.

In the area of co-op education: some very creative partnerships out there.

I'd like to talk about the Literacy and Numeracy Secretariat as we move forward in these 10 hours of estimates, because I think it's time we started talking about quality in education. We have an education leader in Avis Glaze, who runs this secretariat. She is a force to be reckoned with in education. I heard of her long before I became Minister of Education. Everyone marvels when they interact with this woman. She has a way to turn the light on in that classroom and have teachers so motivated with these great concepts of getting kids to read and understand numbers. This simply has not been the focus before in education.

In fairness, the Conservative education ministers have been focused on the finances. Quite frankly, they weren't elected on education policies, so of course we didn't get any, other than us, being very particular, looking at the bottom line for education and seeing the cuts happening in education. It wasn't about the quality. I do believe that that is the difference in our government.

Our education Premier has a magnificent story. If you don't mind my telling it, I'd like to do that.

**Mr. John Yakabuski (Renfrew-Nipissing-Pembroke):** What if we did?

**Hon. Ms. Papatello:** I think you're going to enjoy this story.

I want to tell you why my Premier is the education Premier. This is important. We had a woman who, in about the 1920s, arrived in Ontario. She had six children; small girls, all of them. Her husband left her, and she was left to clean houses to get by with six kids. One of those kids got married and had 10 more. One of those kids became the Premier of Ontario.

I want to know how in Ontario in one generation you have a family, uneducated, poor, struggling, scrambling to make ends meet, that manages to have that child who will go on to university, become a nurse by profession,

who marries another individual of a similar background whose child becomes the Premier of Ontario. That's our Premier today, Dalton McGuinty.

The only reason that that happens in this province is the public education system. If you want to know what drives the Premier, why public education is at the very root of what we are going to do as a Liberal government, it's because of that story, because our public education system, as excellent as it is, levels the playing field for every kid. No matter where you come from, whether your parents are poor, whether they work or don't work, it doesn't matter. We're going to level the playing field and give that kid every single opportunity to achieve that child's dreams. I think that's very telling.

I'll tell you that I never heard a speech about any of those goals or that quality in the public system from the last government. I respect they weren't elected on that as a platform, but there are some fundamentals about what government is meant to provide that I think are telling about our whole society, and one of them is about education. It is one of the most important services delivered by the Ontario government. I think we're doing very well for that.

The story of our Premier, where in one generation we can watch that kind of leap and achievement—we have a Premier with three university degrees, with a tremendous level of professionalism, who worked while he was going to school, who worked when he was in university, who managed to afford university tuition. All of those 10 kids in that McGuinty clan had to work, but all of them managed to achieve the level of education of their choosing. Most of them achieved one or more university degrees. I just think that's remarkable.

All of us will have a story. Just because of how young Ontario still is in the scope of the world, we all have that same kind of story. All of the people who left northern Italy, where my family came from, came post-Second World War with no job. They came for economic reasons. There was very little carpentry going around in northern Italy to keep my father there. He wasn't able, in any way, to achieve a serious public education in that country, but I'll tell you what he expected of his own kids: that we would achieve the very highest level. Frankly, in those days there wasn't going to be much opportunity to say no to that either in our family. The point was that he wouldn't have been able to afford it, had it been in a different country, but he could because he was in Ontario.

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I think that's very telling that in one generation in my own city, in my own family we have that kind of a leap from where most individuals receiving at least a grade 3 in one generation can leap to a university-level education in one family. I find that utterly amazing with all the opportunities that are afforded to our generation, first-generation Canadians. Most of our battle is telling the story about public education and what it means for Canadians.

I'm glad that the member opposite agrees it's a great story and a great reason for us to be huge defenders of

public education. While we're talking about that, talk about why, in the last campaign of our government, when we became the government, we were so opposed to the introduction of private school tax credits. If we don't fundamentally get that piece right for public education, we can't even begin to look at those other opportunities. I'm not denying the availability of it existing in Ontario—it certainly does—but where our tax dollars are going to go is into a public education system for that levelling of the playing field, and it is going to be at an excellent level. It's not going to be mediocre. I think that's important to note.

The Premier announced last year, sometime in these past 12 months, and we'll be bringing it forward in this next year, the notion of the Premier's awards in education. What a great concept that is, where the Premier himself is going to be involved in targeting publicly those educators who are excellent in their field. I'll tell you, and I know you're smiling at this: This would never have happened if your government had still been the government, because the comparison is pretty stark. We had a Premier in the past who used taxpayers' money to fund advertising that really undercut the profession of teachers.

That was then. Today in Ontario, we have a Premier who's launching excellence awards in education. That's the difference. That's where we've come from. I think that also is very telling. It's important because it says, "That's what we're about."

I appreciate that it may be difficult to hear that we've had a rough history over the last 10 or so years. Let's remember that the cuts started in 1993 under an NDP government. In 1993, they all lost 5%. In budgets of that size, that is a significant amount of money. Again, there was no targeted type of cutting. It was just across the board, "Deal with it as you will," which is what the NDP government said to all of their transfer partners, and that's fine. It was very unhealthy. Then we got to 1995. At that time we were at about a \$14-billion total in the area of education, and there was just an out-and-out cut of \$2 billion. Again, no rhyme or reason or where it was going to come from; no review on how that was going to impact on the excellence of the quality of education for the child.

Here we are today with a significant plan called Excellence for All, which is now being implemented: a serious attempt, in very short order, to make the quality of education what it is we talk about. I know we need to talk about policies that boards have to contend with, flexibility of grants, what line to take what money out to make what work, but in the end it's going to be about primary class sizes being lower than when we started by a significant amount because our hard cap is at 20 and we've got about a 90% mark to reach that target, with 10% left for flexibility.

We're going to have fewer dropouts. Our Learning to 18 strategy is a significant challenge, and we're going to meet that challenge because it's important. It's not going to do any more for kids to leave without a high school graduation because we know what happens to them in the

future. So this is key. We're going to have better literacy and numeracy results; end of story.

I want to say that, two and a half years into the mandate, the former minister was driving this kind of change in this ministry, and it was working; establishing relationships with parents to say, "We know the bricks and mortar are important. Yes, the bread and butter of running the school system is important too. But we'd better get our eye on the ball about the system, which says we're going to have smaller class sizes for those primary grades so we have better one-on-one with our kids; we have better test scores—literacy and numeracy; and we have a lower dropout rate. We are going to restore public confidence in the public education system."

I think that is an important goal for us as well. Seventy-five per cent of the people in Ontario have no attachment to the public education system; they don't have kids in the system. Twenty-five per cent of us do. Twenty-five per cent of us had better believe that the system their kids are in is excellent, and the other 75%, all of whom are paying taxes for the benefit of these kids, have to know that their tax dollars are being well spent.

Are we going to have issues around whether a board spends too much in administration and not enough to drive to that lower primary class? Absolutely, we are. I'm prepared to have that discussion. We've come a long way between boards facing cuts and boards facing readjustment of budgets when they get tons of new money—that's the era we're in right now. This isn't a discussion about deficits across the board, cuts across the ministry. We've poured \$2 billion into the education system, so one board that is talking to us right now about having to balance a budget has \$100 million extra. This is a tremendous amount of money. Just to put this in a little bit of perspective: \$100 million in a total budget of \$700 million. I am not about to spend a lot of time arguing about why it is completely responsible for that budget to be balanced. Let's just make that clear, because that is a ridiculous amount of time to politicize a \$5-million to \$15-million deficit over a \$700-million budget.

I hope that parents who are watching this particular parade right now about that one board start to turn the channel, as they say, on what's going on when it comes to, are my kids graduating and at what percentage, are the literacy and numeracy test scores going up for my kid, are the primary classes smaller? That's what we want parents to ask. I don't think they're going to be prepared to talk about all the issues around the bread and butter of the schools, because do you know what? It's our job to get that part right. We'd better get on to those bigger issues, because that is the difference between a kid getting into university or not. How well that kid is doing at age 12 is going to matter in whether they get their choice of university, and their choice of university will depend on just how limited the scope might be for the field of study that child might want to have. I don't believe we should be limited in any way.

I know that some want to talk about whether it's important to focus on whether you're a B student or a C student. I bet, though, that every one of us will agree that



if your kid is an A student, your kid had better be getting As and our system had better be working to make that happen. If your child is going to achieve a C, then it's about time our system can say proudly that it is so excellent that every single opportunity is available to that kid regardless, because that kid will reach his or her potential.

I think it's time we had those discussions with parents. So when you hear that we have this whole parent engagement strategy, it really is the kind of discussion we have to have with them. Yes, the bus has to arrive; yes, the kid has to get to school by bus properly; yes, the board has to afford its transportation policy; yes, we need to do the bricks and mortar well; yes, we've got to address a salary gap that's been out of whack since the Conservative government created a funding formula that was never accurate in the first place—I agree. But if boards are going to come forward with those kinds of conversations, I'm asking the same questions that I'm asking of us as a government: Are we achieving smaller class sizes? We'd better. Are we getting better test scores on literacy and numeracy? We'd better. Are we having lower dropout rates? We'd better. As long as we're all doing that, we're going to roll up our sleeves and deal with those issues about the bread and butter of the system. Yeah, yeah, we'll get all that. But in an era of billions of dollars in investment in education, I don't accept that we can't balance our budgets in school boards.

1750

With this accounting change across the government where we now have adopted the deficits of our major transfer partners out there, their deficit is our deficit. So do you know what? As a ministry, we have a vested interest in making this work for every single board. I like to call Dufferin-Peel Catholic my new favourite board. I actually found the trustees there quite engaging and quite committed to those students. I am totally committed to working out the issues they have at that board, despite others wanting to make this some kind of political football or a war to see who can get in the ditch and fight the hardest. Frankly, I think I can, but that's beside the point. I think what we're going to realize is that we have absolutely no use for that. We're not spending time doing that; we're just going to get to work.

If the Chair would let me know how much time I have available, I want to wrap up.

*Interjection.*

**Hon. Ms. Papatello:** Ten minutes? That's fabulous.

*Interjection.*

**Hon. Ms. Papatello:** Eight? Great. I have eight minutes, Chair?

**The Chair:** Five.

**Hon. Ms. Papatello:** Five. I think he's taken a few minutes from me.

**The Chair:** You're not coming up for air, so I thought I'd give you some time.

**Hon. Ms. Papatello:** I'm clearly excited about the job at hand, and I hope that becomes obvious to all the committee members here.

For two and a half years, what was really important to me was how my Windsor schools were doing; that's the area I have represented for the last 11 years or so. I have to tell you again that whether it's in the schoolyard, whether it's parents, whether it's the directors or the staff at my boards in Windsor, there's a real hopefulness, a look on teachers' faces that says, "I love being here."

Do you know that our success is causing some other problems? For example, when we do our calculations on how many teachers might retire over time, we've actually miscalculated. They're not retiring. Where they had an opportunity to move out early, which they were frankly doing in droves under the Conservative government, that is stopping now to the extent that it's causing us some issues. Nancy has to do a lot more work with her eraser to change the numbers because they're not retiring because they're happy to be in that classroom. I think what actually brings them to education, which quite frankly is like a vocation—you're not going to be there for the money; you're pretty well capped. Let's say it like that. They're staying because they actually know they're making a difference.

I saw a teacher on Sunday night at the Distillery in downtown Toronto who ran a program called Shakespeare. It was fantastic. They took these kids from the Toronto school board and with five practices, five short rehearsals, they did this exposé on Shakespeare. My deputy was there. It was a tremendous opportunity to see. They take that show on the road and go into tens of schools each year in different areas around Ontario and get everybody excited about the written word. As complicated as Shakespeare can be, they have a way of getting kids excited about English literature, excited about Shakespeare, and they literally bring those words alive for them, and the kids are totally into Shakespeare. I'll bet the bunch from our generation could have used Shakespeare in their lives. We would have been a lot better if we had had that kind of excitement from that teacher. I guess that's the point.

I went to chat with the people in that audience and I said, "Our government believes in art, music and phys. ed. in our classrooms. It's all part of education." It's not just about the three Rs, like the last government liked to say; it's about everything. It's about developing creativity in those kids to make them think.

I remember the Mike Harris years. Do you know that a group of CEOs came here to Queen's Park and held a press conference? They were CEOs of some of the biggest companies in Canada, and they came here with one message. That one message was, "I'm an arts student." That's what they said. Do you remember that? They came to say, "We only hire people who have the ability for creative thinking." These big CEOs from these companies were able to stand there and defend that in their history of education because arts and music and phys. ed. and all the creativity that comes from putting that in the classroom also meant we were going to get better students.

It was at least five or six years ago, right at the height of the cuts the Conservative government was making to



education, when those went by the wayside almost right away. So I've got to tell you that it's pretty exciting to have a Premier who believes that those belong back in the classroom, that we develop these young minds in all kinds of different ways. Just think about the kinds of CEOs we're going to have in the future because of it.

I have to say that what we have had in about 10 years of education, the first ones that I was a representative to watch, is a whole generation of children who know things like the definition of "work to rule." That's your legacy. How awful is that? I've got kids in my own family who can define "work to rule." I never knew what that was. That was not my history in my school or in those years, and yet that's what kids today know, because in those Conservative years, we had year after year of disruption after disruption and instability with our teaching profession.

That hasn't happened since we got here. That has meant more and more time for peace and stability to be effective so that all that time can be poured into what

they really want to be doing with kids: raising literacy and numeracy numbers, really focusing on that creativity around kids, doing the kinds of things that kept people like me in school at all, which is all extracurricular activities, whether it was sports or drama or whatever. That is where we're getting back to, and it is a very exciting time to be part of a government that is doing that.

I probably should end my remarks now and tell the colleagues from my own party how excited we are to be the government that is delivering this for kids. In 10 or 20 years, all of us are going to look back and say, "This term was the watershed moment in education." Now that we're stepping on the gas, we are not slowing down. There is some monumental change going on, and it is all positive. Thank you, Chair.

**The Chair:** Thank you, Minister. This committee stands adjourned until immediately following routine proceedings tomorrow in room 228.

*The committee adjourned at 1756.*



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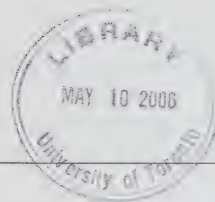
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## **Legislative Assembly of Ontario**

Second Session, 38<sup>th</sup> Parliament

## **Assemblée législative de l'Ontario**

Deuxième session, 38<sup>e</sup> législature

# **Official Report of Debates (Hansard)**

Wednesday 26 April 2006

# **Journal des débats (Hansard)**

Mercredi 26 avril 2006

**Standing committee on  
estimates**

Ministry of Education

**Comité permanent des  
budgets des dépenses**

Ministère de l'Éducation

Chair: Cameron Jackson  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATES

Wednesday 26 April 2006

COMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Mercredi 26 avril 2006

*The committee met at 1552 in room 228.*

## MINISTRY OF EDUCATION

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates. We have completed the first set rotation.

I'm just going to get Clay to get the right—Clay, there's a ton of reverb on this. If you'd tone it down a bit, that would be great; it's not going to be easy on everybody else's ears.

**Mr. Rosario Marchese (Trinity-Spadina):** If I can ask people to speak up in this place. I can't ever hear.

**The Chair:** Okay.

Before I begin, I just wanted to clarify. There have been some questions raised about the role of legislative research. Legislative research is here for the committee's support insofar as they respond to questions that are raised, and they can be directed by members of the committee. So, although David McIver is monitoring the questions you raise for a given ministry, his primary function is to go out and get you research, if you want that research, dealing with, in this case, matters to do with education, from the library or from other jurisdictions or whatever.

As far as the ministry is concerned, the ministry is required to monitor their own estimates, and they are to respond. So legislative research isn't here to be a support to the ministry; it's here to be a support to the committee. I'm trusting that the deputy has made arrangements to have these estimates closely monitored with respect to the questions and they will be able to react to those. Okay? Are there any questions about any of that? Good.

Deputy, do you have any of these questions available for the committee at this point?

**Mr. Ben Levin:** We will have responses to some questions during the hearing today. They are coming over, so the minister will notify you as soon as that material arrives.

**The Chair:** Very good. It would be custom to give us sufficient copies, if that would be okay, and that way the clerk doesn't have to run out of the room to get them photocopied. I don't want to pick favourites and give one to the person who asked them; I'd like to give them to the entire committee at the same time. Thank you very much.

All right, no other questions of clarification?

Let me start by saying we have six hours and 55 minutes remaining. So because we're at the top of the hour, I'm recommending we do 20-minute rotations. There will be two of those for each party, and I will begin with Mr. Klees. Mr. Klees, we're in your hands.

**Mr. Frank Klees (Oak Ridges):** Thank you, Chair. Minister, a quick question, first off. I notice under agencies, boards and commissions that there appears to be no funding allotted to the Ontario Parent Council. All of the other agencies, boards and commissions have a budget amount allocated. I don't see anything there. Can you explain why there wouldn't be?

**Hon. Sandra Pupatello (Minister of Education, minister responsible for women's issues):** Can you tell us what pages you're looking at?

**Mr. Klees:** I'm looking at page 7 of the briefing book, and I assumed that what I see here are the agencies, boards and commissions broken out and the relative funding allotted to them. The Ontario Parent Council is absent. It doesn't show up there at all.

**Hon. Ms. Pupatello:** I can't tell you. I'll try to get you more detail. But as for it not showing up here, you're probably aware of an announcement that was made some months ago that directed money to every single parent council in every school. We think this is a significant investment, but it also speaks to the parent engagement strategy that we have begun to employ over the last two and a half years. So they, this year, were receiving some \$500 per parent council to identify projects that will help in a number of areas. For example, if there's an area where parents aren't engaging as the community would like them to, then there might be projects they might select to help engage the parents in the process with their schools. I can't remember the total number, but in fact it worked out to \$500 per parent council across Ontario, and that was an announcement made several months ago.

**Mr. Klees:** Okay. Then if you could get back to us with an explanation as to why specifically the Ontario Parent Council is not referenced in these budget documents, how much is allocated to the Ontario Parent Council and what envelope that's coming out of. Okay?

People for Education is—Chair, this is very uncomfortable. If you could tone this down. Can you not turn the volume down? Okay. Testing: one, two. That's a lot better. Thank you.

People for Education is a lobby group, and it's my understanding that they received some \$50,000 from the



Ministry of Education for their annual conference last year. A representative from the minister's office said that People for Education received the money because they're funding a program for parental inclusion. I think that was the explanation. To what program would this \$50,000 grant be attributable?

**Hon. Ms. Papatello:** Once again, when I get you the information on parent engagement and exactly where all the money went and what line it would be attributed to, it will likely be in that information that we'll provide you.

**Mr. Klees:** Okay. Are there established guidelines for organizations such as People for Education? The Organization for Quality Education I assume would fall into that same category, or the federation of home and schools. Are there any guidelines published under which organizations like that can apply for funding to the ministry?

**Hon. Ms. Papatello:** I can imagine that in the two and a half years that the former minister had, a significant part of the portfolio was to engage parents in the public education system. So to the extent that they would have been assigned funding, it would in fact be to help support the public education system. As to the various groups you've mentioned, we can certainly see what they may have had historically over, say, the last 15 years. I don't know what funding they would have received. But again, once we get for you the background on the funding, it will likely come at least with a paragraph on what the money was intended to do.

1600

**Mr. Klees:** Okay. We would expect that if funding is being allocated by the ministry to organizations such as this, it would be done within a framework of established guidelines that the ministry has. I would ask in your response, when you get back to us, if you would provide the specific guidelines that exist for People for Education. What I'm really asking beyond that is whether other organizations such as People for Education have equal access to funding from the ministry and, if so, what is the process under which organizations like that would apply for it and then where in the estimates we would find the allocation for that. Okay? Thank you.

I'd like to move on to an issue that relates really to two aspects of your ministry: One is the cap on the lower class sizes, as well as the issue of rural schools. I'm going to refer to a letter that you received from the Elementary Teachers' Federation of Ontario dated April 21. Mr. Marchese and I were copied on it. You've had a chance to see that letter, I assume.

**Hon. Ms. Papatello:** I've not received it.

**Mr. Klees:** Perhaps the deputy has.

**Hon. Ms. Papatello:** Can you tell me the topic as well?

**Mr. Klees:** The topic relates to grants for student needs and the issue of moving grade 7 and 8 students into secondary schools.

**Hon. Ms. Papatello:** I've not received this letter, but go ahead.

**Mr. Klees:** Perhaps the deputy can help you with this. I'd like to just read from it. It's addressed to you, and it speaks to the issue of grants for student needs and the funding gap, if you will, that we were talking about yesterday. This zeroes in on this specific issue:

"As you are well aware ... a number of school boards are still in the position of assessing the viability of small rural schools and are considering a number of options, including moving grade 7 and 8 students to secondary schools. Currently, 12 public district school boards have created at least one secondary school with grades 7 to 12. The federation has serious concerns about this restructuring of elementary and secondary education."

My first question to you, Minister: Is this shifting of grade 7 and 8 students into secondary schools endorsed by your ministry and is it something that you personally, as the Minister of Education, endorse?

**Hon. Ms. Papatello:** Let me say first off that I know this isn't a new phenomenon. It's been in Ontario for some time. It certainly exists in the city where I come from. I would like my deputy, though, from an education perspective, to speak to the philosophy of education. I'd like him to address this for you.

**Mr. Levin:** There are quite a few different arrangements of grade levels in schools in Ontario and elsewhere. We have K to 6, K to 8, K to 12, 7 to 12, 9 to 12. The separation of panels in Ontario—K to 8, 9 to 12—with different federations is a particular Ontario artifact. You would not find that in other provinces, in fact, and you wouldn't find it in most other countries. So grade arrangement will depend on local circumstances, and boards essentially make the determination of how best to organize their grades to take advantage of physical space, where they have facilities. They may have shop, for example, in a school that they want grades 7 and 8 students to have access to. The K to 8 school might be in a rural district some miles down the road, and it makes sense to have those kids in the school where they have access to a better gym or a shop or whatever those facilities may be.

Those decisions are made based on local pragmatics, and the ministry has no particular view on the best way to organize grades, nor do I believe personally that there is any research evidence to suggest that there is a best way to organize grade structure.

**Mr. Klees:** How many secondary schools would there be in the province that have grades 7 and 8 incorporated into—

**Mr. Levin:** I don't know that. We have about 800-odd secondary schools all together, and most of them would not. I would guess that you would find this primarily in rural areas or in smaller communities, but I think we could find that out. We have that information and we could provide it.

**Mr. Klees:** Okay, if you could. I look forward to receiving that, and of course you'll break that down, because I think what I'm hearing you say is that some would have just grade 8, perhaps, and some go back to grade 7. If you could provide us with an analysis and, as

well, the rationale behind that. If you could lay it out for us in terms of the year that that transition was made to incorporate these lower grades.

**Mr. Levin:** We could certainly tell you how many schools have grades 7 and 8. There would be very few that would just have grade 8; there might be none. It would be 7 and 8 in most cases, because that's kind of a program package. We would not necessarily know when that happened. Some of those arrangements would go back many years. We had K to 12 schools and we still have K to 12 schools in the province, so I'm not sure we could tell you why or when in many cases, because those are local decisions that boards make.

**Mr. Klees:** Okay.

**Hon. Ms. Papatello:** Although the one in Windsor was in the last five years. It was about five years ago that they started, about the year 2000—which isn't rural or northern, actually.

**Mr. Klees:** I'll quote from this letter. It continues: "Those school boards that have already moved, or are considering moving, grade 7 and 8 students to secondary schools are doing so for financial not pedagogical reasons. Research shows that young adolescents do better in elementary schools." It goes on to talk about the fact that students would do much better if in fact they are segregated by lower grades, if you will.

Obviously, the Elementary Teachers' Federation feels strongly about this. They're bringing it to your attention. They close by saying, "I urge you to review this issue as your ministry updates the provincial education funding formula," and it's signed by Emily Noble.

Minister, do you have any personal thoughts? I know you're early in the game on this, but do you have a sense that this in fact should be something that you should be taking into consideration as you review the funding formula? Is that a direction you're prepared to give to your ministry?

**Hon. Ms. Papatello:** What I have realized in these very early days is that I think that, as a ministry, we need to become far more involved in evidence-based policies so that when we move forward, we're actually moving from a position of the ministry adopting a position in terms of best practices in education and working with our board partners in that implementation. In some of the experiences in the few days, obviously, that I've seen, there's a tremendous amount of excellence out in the field, and many boards would benefit from that.

As to this one in particular, I remember taking this cause up with your government. One of my high schools was being forced to adopt grades 7 and 8 into the high school, and I was very troubled by it because, as an outsider to education—I don't think there's ever a minister that's an expert, anyway, in education. I certainly wasn't in opposition, either. But there was something about a 12-year-old with a 16-year-old or an 18-year-old in a high school, and I was worried: "What about that? Surely parents must be concerned." All of the standard response that I had, I took to my local boards and said, "Why would you do this?" I was very concerned, and of

course I blamed you because this was your government and apparently it was your funding formula that was forcing this to happen.

**Mr. Klees:** Welcome to government.

**Hon. Ms. Papatello:** Actually, it really was your funding formula because your government did develop it, but the reality is that despite the public meetings that I attended with parents as well, once it actually happened, all of the things that the parents were very concerned about didn't materialize and it actually turned out to be a very good experience. I had to step back and say, "Well, from principles and good education practices, maybe this is something that I'm simply not aware of."

I have had an opportunity on more than one occasion to chat with Emily Noble. This issue has not been raised with me, so I don't know how pressing it is.

**Mr. Klees:** Well, she won't like your response, I guess, at the end of the day, based on her letter.

1610

**Hon. Ms. Papatello:** I guess I have to say that I anticipate working with her closely on evidence-based opportunities in education.

**Mr. Klees:** Okay. We'll move on to class size. Minister, we have a commitment to lower class sizes which it appears, depending on how you spin this, is taking place in some places in the province and not in others. I've had many calls and e-mails from parents relating to class sizes.

**Hon. Ms. Papatello:** Primary class sizes?

**Mr. Klees:** Primary class sizes. Your former colleague was very good at selecting and cherry-picking certain schools. He'd go out—on a couple of occasions he had the Premier with him—and say, "Look how wonderful this is. We've got all these lower class sizes." But the e-mails that I get—and I know the minister got them, because I was copied on e-mails that were sent to the minister—say, "That's not the case in our school."

I wonder if you could table for us, then, the numbers of students that are in grades 4 to 8 classes and confirm for us that what is not happening is that because of pressure on school boards to cap their class sizes in grades K through 3, now the students in grades 4 through 8 aren't being penalized because of the space pressures that the schools are facing. So I'm trying to get a sense of just how effective this policy is and whether we're really overburdening those grades 4 through 8 as a result of this policy, which may not be working quite as well as we're being led to believe. If I could have your undertaking to provide us with those numbers, I would appreciate that.

**Hon. Ms. Papatello:** I'm hoping very soon that you're going to have every single detailed classroom across Ontario on the JK to grade 3. On the grades 4 to 8, I will find out how quickly that material might be available to you. I'd like my deputy to jump in in just a moment—he may have more information—but we'll see if the data is actually available.

But our understanding is that in fact that's not the case, and it's likely because there's been so much capital money and money for new teachers going into the system



that it's not causing the effect that you're speaking of. Deputy, would you like to add to that?

**Mr. Levin:** Our view is that we've done very, very careful costing and analysis around the SK-to-3 class size commitment, including looking at every one of the 4,000 elementary schools in the province in terms of what their space requirements are and what they would need, and what every board would need, to get to the appropriate class sizes without increasing class sizes in 4 to 8. Our belief is that we are in the process of fully funding the costs of the additional teachers and the additional space that is required to fulfill the commitment on JK to 3. It is the case that there are 4,000 schools, and numbers vary from year to year and even within the year, so we certainly could not guarantee that there is not a single 4-to-8 class that has got bigger—I'm sure some have—because kids show up after September. But across the system as a whole, we have funded what we understand to be the full cost of JK to 3, and there should be no consistent average increases in grades 4 to 8.

**Mr. Klees:** Minister, I'd like to read to you from just one of those e-mails that I received in response to one of those announcements of the smaller class size. It's actually a copy of an e-mail that went to your predecessor and to the Premier. It reads:

"My son Benjamin has been in a classroom of over 30 children from the day he started senior kindergarten.... Based on some ridiculous formula that your ministry uses to determine teacher allocation, my son, who is seven years old and in grade 3, now finds himself in a classroom of 35 children (early French immersion, which is a difficult program) that can barely ease into their desks because the room is so badly overcrowded (there is barely one foot of space between the start of one row of desks and the end of the next)."

I have to read into the record this next line, which reads, "The situation wasn't this bad under the former Tory government."

*Interjections.*

**Mr. Klees:** I knew the minister would enjoy that and I knew you folks would enjoy that too. But there it is; it's in black and white.

*Interjection.*

**Mr. Klees:** No, as a matter of fact, it was written by Wendy Hillier. She is a parent who is very concerned about this situation.

Minister, I just ask you this. You must be familiar with these stories. This isn't an isolated case. You continue to say that you're making progress, and you have now, through Bill 78, created yourself some more latitude in terms of giving boards some more flexibility on this whole issue of capping class sizes, which is what we had told you from the very beginning: that a hard cap is unrealistic. Boards need the flexibility to account for in-year fluctuations, if you will; growth and so on. So what you're really doing is moving from a stated policy of a hard cap, which was your commitment and which we continue to hear, but really what Bill 78 is doing is allow-

ing you the flexibility to move away from the hard cap. Is that not true?

**Hon. Ms. Papatello:** You asked a lot of questions in that little—

**Mr. Klees:** Well, just answer the last one, and that is, is it not true that through Bill 78 and the flexibility that you're giving school boards, which we always believed they should have, you are moving away from a stated policy of a hard cap on class sizes?

**Hon. Ms. Papatello:** I think it's fair to say that so far, in two and a half years, we've moved from about 30% of the classes from JK to 3 being 20 or under to today, when 48% of those classes are 20 or under. That's how we're moving toward the goal.

As you know, I would have preferred the first term of our government to be about 10 years in a fixed term. Unfortunately, everyone else decided our next election would be October 2007, which is actually a shorter term; if you look at where we would be in a regular four-year term, it's actually beyond the 2007 timeline for the next election.

But we have said that we'll have 90% of all classes JK to 3 hitting that target, and that 10% has to be available if there are in-year changes. As you would know, there are students who move into classes mid-year and students who move away mid-year etc., so there will always be a little bit of flexibility.

I have to say that over the course of the first eight years under your government, I actually attended classes and sat with the primary school children on the radiator because there wasn't room in the classroom. They were terribly overcrowded. The woman who e-mailed you may well be in the other percentage of classes that still haven't gotten down far enough. But again, we're two and a half years in. We've moved from about 30% of the classes at that level and we're now at 48%, which is a huge jump.

We also recognize that it is an expensive proposition to meet that goal, because there are capital implications and there are teacher implications, both of which need to be funded and both of which have been continuously rolled out, to the tune of 2,000 new teachers and tens of millions of dollars in capital funding, because you need to support the boards in looking for the space to put more classes because each class has fewer children. So obviously it's a difficult policy to implement, but that doesn't mean it's not something we're going to work toward, and we are in fact implementing it. We just recognize that we've got to take the time to get the capital right, to get the number of classrooms required, to get the teachers hired, to get them whittled down to eventually having an absolute preponderance of classrooms from JK to 3 that are under the 20 cap.

**Mr. Klees:** But it is a change in policy.

**Hon. Ms. Papatello:** It's not, in fact. The only thing that I was chagrined to hear was that our first fixed term of government until the next election is shorter than four years. As I say, I would have preferred a much longer first term.



**Mr. Klees:** Thank you, Minister. The reality is that Bill 78 provides all kinds of flexibility and is, in fact, regardless of how you try to position it, a shift from a hard cap.

**Hon. Ms. Papatello:** That's actually not what the boards are feeling right now.

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**The Chair:** Thank you very much. Mr. Marchese, I'd like to recognize you now, please.

**Mr. Marchese:** Thank you, Mr. Chair. I'm going to make some remarks and then I'll have specific questions for the minister.

For the record, yesterday the minister talked about the big picture quite a fair bit. What I want to tell her is that we're using the Dufferin-Peel Catholic District School Board problem as a microcosm of the larger picture. Through the questions we're asking, which flow from the investigator's report, we're saying to the minister and the Liberal government that we have generalized problems across the province. This report speaks to the large-picture problems, which speaks to the problem of special education funding, or lack thereof, speaks to the problem of ESL funding, or lack thereof, speaks to the problem of the liberal arts that the minister was so proud of talking about in terms of lack of music programs, lack of art programs, lack of librarians, the diminishing number of librarians under a Liberal government, a diminishing number of education assistants, a diminishing number of guidance teachers, a diminishing number of physical education teachers. The minister yesterday was so proud to talk about physical education. She may not be aware yet that they have a worse record than the previous government; that is, they talked about getting children to exercise for 20 minutes in the classroom. What she and the Liberal caucus members do not realize is that only 30% of school boards have physical education teachers.

We're spending very little on capital projects that the minister is so proud to talk about, and we'll get to that in some of our questions.

We're losing vice-principals and principals; we're losing caretakers.

All of these issues speak to the large picture. So when I make reference to the Dufferin-Peel Catholic District School Board and she makes light of it or small of it, we're talking about many, many issues, and the questions speak to that. I wanted to tell her that.

I also wanted to tell her that the calculators that I made reference to when I was talking about the EQAO tests—prior to when this government started doing its testing, they did not use calculators in the tests. The minister explained the use of calculators. We have no disagreement with the use of calculators. The problem is, previously they were not used, and now they are. What we are saying as New Democrats is that you are manipulating the results, and the use of calculators is yet one more little thing that is different from before that's making it possible for students to do better. We're not disputing that calculators are a useful tool. They could not have been used before and they now are, as one

element of the tools of manipulation that I mentioned yesterday, for the benefit of the minister, who spoke to that yesterday.

So I've got some questions. Yesterday I asked the minister about the investigator recommending firing vice-principals to achieve savings of \$2 million. I asked her how many vice-principals would have to be dismissed to achieve these savings, and the minister couldn't answer. I wonder whether the deputy minister knows the answer to that.

**Hon. Ms. Papatello:** No; I suggested that we would get back to the members as quickly as we can with information.

**Mr. Marchese:** I see.

**Hon. Ms. Papatello:** We do have some coming this afternoon, as I said, mid-committee.

**The Chair:** Excuse me. There was a direct question to the deputy. Deputy, are you able to answer that? Do you have the knowledge he's seeking?

**Mr. Levin:** I don't have in front of me the numbers.

**Mr. Marchese:** Okay, thank you.

I merely asked the deputy because the minister yesterday praised the deputy minister excessively, and I suspect appropriately. She talked of the deputy minister being widely recognized, very knowledgeable. I don't have the appropriate words, but I'm trying to express it in a way that compliments him and speaks to the fact that if he is full of such knowledge, as I suspect he is, and he is incapable of answering some of these questions, I worry about the minister and I worry about the deputy, for the record.

I asked, "Do you believe that vice-principals serve an important role in the school setting, or are they superfluous?" The minister couldn't answer that question. I wonder whether the deputy would respond to that.

**Mr. Levin:** I'm sorry? I was going back and thinking about the vice-principal question.

**Mr. Marchese:** Do you believe that vice-principals serve an important role in the school setting, or are they superfluous?

**Mr. Levin:** I think the accepted view, and my view, would be that they do serve an important role.

**Mr. Marchese:** I think so too.

**Mr. Levin:** I could say that the average salary for a vice-principal in Ontario, with benefits, is approximately 90-some thousand dollars, so you can do the mathematics to determine how many that would be.

**Mr. Marchese:** That's exactly what I was thinking in terms of the simplicity of answering the question. That's why I thought you could answer it. I even thought the minister could answer it. But that's what I'm getting at in terms of answers to questions. I think they're not complicated, if we want to answer them.

**Hon. Ms. Papatello:** Without a calculator, though.

**Mr. Marchese:** Ah, Minister, you're so fond of calculators. You should bring it in so you can help me answer these questions.

Your investigators recommended firing custodians to achieve savings of \$2.6 million. Minister, do you think the boards should fire custodians?

**Hon. Ms. Pupatello:** I think I was being fairly clear during oral questions in the House that the investigators identified over \$20 million worth of savings where—I would hope that the member opposite is actually up to date, because the trustees had a meeting last night, and I hope they shared with you some of the comments that they made last night. Some of your questions may not actually be up to date now, so you may want to check—

**The Chair:** If I might interrupt, Minister, it's hard for Mr. Marchese to be up to date when we're not getting answers to questions. If you could assist us in that department, then we'd be in a better position.

**Hon. Ms. Pupatello:** I'm suggesting that he may want to check with the board that he is up to date on the questions that he's asking. The reality is—

**Mr. Marchese:** For the benefit of—

**Hon. Ms. Pupatello:** The reality is—

**Mr. Marchese:** I'm just asking questions.

**Hon. Ms. Pupatello:** Custodians, I think, are CUPE members, and in the system overall we've added over 3,500 CUPE members to the entire education system.

**Mr. Marchese:** I appreciate—

**The Chair:** I don't think that was the question, Minister.

**Mr. Marchese:** You can say what you like, but I'm asking very clear questions.

**Hon. Ms. Pupatello:** [*Inaudible*] no matter what party, wouldn't think that custodians are a significant and integral part of the school life. Having said that, the board needs to identify a number of areas that don't impact on student success and move forward towards a balanced budget.

**Mr. Marchese:** Thank you. Just for the benefit of the Liberal backbenchers who are here, the investigator has recommended 26 changes here. We read the report, right? I know how busy some of you are, and it's hard to read everything. The minister is proud of having read the report. She keeps making reference to the 20 recommendations. I am making reference, constantly, to the recommendations that the investigator makes in asking that the board consider making these cuts to achieve a balance with their budgets. These are the kinds of things the investigator has recommended the board do. These have serious impacts. So the question to the minister is, do you think the board should fire? She says, "We spent a whole lot of money." And then she says this investigator is making this recommendation and, presumably, the board will have to deal with it.

Do you think, Minister, custodians add to overall school safety?

**Hon. Ms. Pupatello:** I'm certain that this member needs to address the fact that this board in particular received \$100 million—

**Mr. Marchese:** I'll get to that, thank you.

**Hon. Ms. Pupatello:** —in new funding. You as a member couldn't possibly be supportive of having a deficit position—

**Mr. Marchese:** I will get to that, but what about the answer to the—

**Hon. Ms. Pupatello:** —given this board's considerable increase in funding.

**Mr. Marchese:** I will get to that.

**Hon. Ms. Pupatello:** I have said repeatedly—

**Mr. Marchese:** Okay, thank you, then.

**Hon. Ms. Pupatello:** —custodians are an integral part—

**Mr. Marchese:** You can't go on. If you're not answering my question, I'm sorry, you can't blah blah.

*Interjection.*

**The Chair:** Go right ahead.

**Mr. Marchese:** Sorry, Minister. When we're in this room, it is not for you to determine what correct questions are asked. Your Liberal backbenchers will ask you the correct questions you want to hear. It's not my role to give you what you want to hear.

The third recommendation of the education quality task force was that, "The Ministry of Education, in consultation with school boards and other members of the education community, develop mechanisms for annually reviewing and updating benchmarks in the funding formula." Can you tell me where the annual review is at?

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**Hon. Ms. Pupatello:** No, but I will try to get that for you.

**Mr. Marchese:** Does the deputy know?

**The Chair:** Deputy, do you have an answer?

**Mr. Levin:** I would prefer that we provide a full written explanation.

**The Chair:** You don't have the answer. Mr. Marchese?

**Mr. Marchese:** What new mechanisms are in place, based on the recommendations the task force made?

**Hon. Ms. Pupatello:** I would be in a better position had the estimates committee called education after the grants had been assigned for this year.

**Mr. Marchese:** You've got a deputy here who's very knowledgeable.

**Hon. Ms. Pupatello:** Actually, we're in the process right now of reviewing—

**Mr. Marchese:** Thank you.

**Hon. Ms. Pupatello:** —the grant formulas, so we don't have an answer.

**Mr. Marchese:** What happened to the standing committee on education promise during the election?

**Hon. Ms. Pupatello:** We're likely not through our first term, so we haven't enacted our entire platform, as this member knows, but we're certainly well on our way to establishing a significant amount of positive change in the education system.

**Mr. Marchese:** All I asked about was the specific recommendation you made with respect to establishing a standing committee on education.



**Hon. Ms. Pupatello:** I'm certain that by the time we get to the election, we'll have gone through a significant amount of platform items, and I know this member will be watching us.

**Mr. Marchese:** I'm not talking about other platform items; I'm talking about this promise. We don't have it yet.

**Hon. Ms. Pupatello:** I'm certain that by the time we get to the election, we'll be well on our way to having—

**Mr. Marchese:** I'm certain some of those promises might indeed be kept by the time you call the election.

Special education shortfalls: Your investigator's report states, "All school boards in Ontario are struggling to meet the ever increasing demands for special education services and many boards choose to supplement their special education allotments from other areas of their budget." Do you, Minister or Deputy Minister, think this is acceptable?

**Hon. Ms. Pupatello:** I think it's important to note that we've had a significant amount of increase in the area of special education and boards have had flexibility over the years. Frankly, one of the items I mentioned earlier in response to a question was that the ministry hasn't been involved in setting some of the standardized—

**Mr. Marchese:** Do you think it's acceptable?

**Hon. Ms. Pupatello:** I think our ministry has to be able to be in a position to have a set policy for boards to understand, what would we like to see, and is it in fact the right thing to see? Some boards use special-ed funding in different ways because they apply the programs in different ways.

**Mr. Marchese:** The question is based on the investigator saying, "Many boards choose to supplement their special education allotments from other areas of their budget." Do you think it's acceptable?

**Hon. Ms. Pupatello:** I do think that some boards spend more than other boards on special ed, so clearly they get it from other lines. So—

**Mr. Marchese:** Do you think that's acceptable?

**Hon. Ms. Pupatello:** —the question is moot, of course. I would think, in terms of my own practices or what I see in my own local board, they likely spend more than other boards do and they also feel that they need that flexibility—

**Mr. Marchese:** Thank you. I think I got an answer.

Your investigator's report on the Dufferin-Peel Catholic board shows that six out of eight GTA growth boards are spending beyond their allocations on special ed. Do you think those boards should make cuts to special education?

**Hon. Ms. Pupatello:** I think that we as a ministry should be taking a lead with our school boards in determining the best practices and programming for special education. I don't think, historically, that's the role the ministry has had, but we've certainly moved towards that in the establishment of the special education task force, which is now meeting and which has developed a report which they are now reviewing. I'm happy to see that. It moves to being able to say, "What is

the right amount? What is the right program? How much does that program cost?" That kind of standardization is important.

**Mr. Marchese:** Okay. Do you concede that it's possible that special education allocations to boards are inadequate? Is it possible?

**Hon. Ms. Pupatello:** I think it's important to note that some boards spend more because they choose to have more expensive programs. Some boards spend less because they apply a program in a different way. It's that kind of board flexibility that they want. On the other hand, I would like us to move to evidence-based programming, where the ministry plays a greater role in working with boards to develop what those programs should be.

**Mr. Marchese:** What does evidence-based programming vis-à-vis the provision of special ed mean?

**Hon. Ms. Pupatello:** I think what parents want to know in the end, at least all of the parents I've met in a number of years in this area—parents want the best program. If they were to call any one board today, no one could say with any certainty what is the best program. I think we need to get to that point.

**Mr. Marchese:** So the problem we are having in our system is that we don't really know what the best programs in special ed are: Is that your view?

**Hon. Ms. Pupatello:** That is my view.

**Mr. Marchese:** Interesting. Your investigator managed to produce this chart on page 8 of the report. You may have seen it. It shows that six out of eight GTA growth boards are underfunded with regard to special ed. It shows that they're underfunded with regard to special ed. It's the report that you read so thoroughly. Can we expand this for the whole province, Deputy Minister or Minister? The investigator managed to produce a chart which shows that six out of eight GTA growth boards are underfunded with regard to special ed. Can we expand this for the whole province?

**Hon. Ms. Pupatello:** None of the numbers that you're referencing right now is indicating in fact what you're saying. What you're saying is that they are spending more than we allot. That doesn't mean that they're spending too little or too much. What it means is that they spend the amount they get for special education and then on top of that they spend additional money from other areas on—

**Mr. Marchese:** So they're spending more. Does that mean it's probably a problem?

**Hon. Ms. Pupatello:** I think that again, back to the beginning, evidence-based programming is important. Parents ultimately want to know that the program their child is in is actually the best program, and I don't believe that we can say with any certainty that there is that level of standard in Ontario.

**Mr. Marchese:** How many boards have estimated spending for special education that exceeds the amount allocated?

**Hon. Ms. Pupatello:** I beg your pardon?



**Mr. Marchese:** How many boards have estimated spending for special education that exceeds the amount allocated? Does the deputy minister know?

**Hon. Ms. Papatello:** We'll look and see if that info is available for you.

**Mr. Marchese:** Thank you.

Could the ministry staff please provide a table like the one in appendix G that I showed you, which lists the funds allocated for special education, the amount of money spent on special ed and the percentage difference between those two figures, for all the boards in the province in this school year and last year?

**Hon. Ms. Papatello:** If that's easy to do, we'll probably do that fairly quickly. It may take a while if it's not readily available.

**Mr. Marchese:** Could I ask that, if it's taking a while, you might send me a letter to say, "It's taking a while"?

**Hon. Ms. Papatello:** Sure.

**Mr. Marchese:** Thank you.

In 2005, the ministry set up a stakeholders' working table—they're usually active tables, I understand, rather than passive tables—on special ed co-chaired by Sheila Bennett and Kathleen Wynne. The chairs of the working table have already submitted a report to the minister. Could you table it for us?

**Hon. Ms. Papatello:** The previous minister.

**Mr. Marchese:** The previous minister. But you have it, eh?

**Hon. Ms. Papatello:** No, I won't be in a position to table that just yet, because the table itself is going to be seeing their report. They need to see it first.

**Mr. Marchese:** You've said that they're reviewing it. So they've seen it, they are reviewing it, but you want to wait for a final report before you send it to us? I see. Could I ask you: When that final report is done, is it possible to get that report from Madame Wynne?

**Hon. Ms. Papatello:** It likely will be posted on the Web, so it's going to be publicly available as soon as that's in final form.

**Mr. Marchese:** Okay. For the record, the minister said it's likely to be posted on the Web. If it isn't posted on the Web, will you send me a note saying, "It won't be posted on the Web"?

**Hon. Ms. Papatello:** In about 30 days I'm going to have an exact answer for you, so I promise you that.

**Mr. Marchese:** Thank you; we have that for the record.

Teacher salaries: Your investigators' report shows that without reallocating certain funds, certain areas would fall dramatically short. For example, the board spends \$27 million more than it is allocated for classroom teachers and preparation time. Why do you think this variance appears? Does the deputy know?

**Hon. Ms. Papatello:** I think that—

**Mr. Marchese:** I can't hear you, Minister. Please help me; speak up.

**Hon. Ms. Papatello:** I would say that this goes back to a long-standing problem with the salary benchmarks that are laid out in the technical paper. We can forward

that technical paper to you to look at the amounts that were allocated for salaries, but the reality is that in the case of Dufferin-Peel, like many others, the amount allocated has never been updated—

**Mr. Marchese:** Quite right; we're well aware of that, by the way. So was Dr. Rozanski.

**Hon. Ms. Papatello:** You'll probably note as well that the administration of this board was significantly higher and grew significantly too, but unlike special ed, you probably wouldn't ask if that's considered overspending. That's why you need to go to all parts—

**Mr. Marchese:** I think so too. So this variance is probably common to all boards, would you say?

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**Hon. Ms. Papatello:** You're using this board as an example, and that's why I say—

**Mr. Marchese:** No, no, this board—

**Hon. Ms. Papatello:** You're talking about the Dufferin-Peel board right now?

**Mr. Marchese:** Yes. I'm just saying that—

**Hon. Ms. Papatello:** If so, you know that as of last night's trustees' meeting with this board, their numbers have changed. That's why, whatever you're asking—

**Mr. Marchese:** I know that they have sat together with various groups to try to find ways to cut this thing; I know. They're trying to help you.

**Hon. Ms. Papatello:** Actually, the first order—

**Mr. Marchese:** I'll get to the April 11—

**Hon. Ms. Papatello:** You need to be factual.

**Mr. Marchese:** I know. I'll get to the April 11 letter that addresses some of these problems.

Can the minister name a single board where the money allocated for classroom teachers and prep time exceeds the money spent?

**Hon. Ms. Papatello:** No.

**Mr. Marchese:** No, meaning you don't have it?

**Hon. Ms. Papatello:** Right.

**Mr. Marchese:** Is it possible to get?

**Hon. Ms. Papatello:** I can check and see if it's available to you.

**Mr. Marchese:** Okay.

**Hon. Ms. Papatello:** Again, you need to be factual about the information that you present here.

**Mr. Marchese:** Yes, of course. Of course we need to be factual.

Could the ministry staff please provide a table like the list of funds allocated for classroom teachers, the amount of money spent on special ed and the percentage difference between those two figures for all the boards in this province for last year and this year?

**Hon. Ms. Papatello:** I will let you know shortly what is easily available and, again, if it is made available easily, we'll have it to you in—

**Mr. Marchese:** And if it's complicated, you will let me know that it's complicated and you're working on it; is that it?

**Hon. Ms. Papatello:** Right.

**Mr. Marchese:** That would be a month, two months, three months, if it's complicated?

**Hon. Ms. Pupatello:** I can't tell you that, but I know you've waited a lot longer in the past; I'm hoping to do better than that standard—

**Mr. Marchese:** Before next year's estimates, hopefully.

On page 23 of your investigator's report, it notes that salary benchmarks have not been properly updated since the formula was created in 1998. You're well aware of that. The salary gap currently sits at approximately 8.5% in the case of teachers, in this report. You do concede the existence of this gap, obviously.

**Hon. Ms. Pupatello:** I'd like my deputy to respond to this issue.

**Mr. Levin:** We do, of course, accept that the salary benchmarks, as they currently are, do not cover the full cost of salaries. However, boards get money for teacher salaries from a number of different places in the funding formula.

**Mr. Marchese:** Which are?

**Mr. Levin:** Many parts of the funding formula. The special education funding also provides money for teachers, the LOG allocation provides money for teachers, the ESL allocation provides money for teachers.

**Mr. Marchese:** Do you know, Deputy, that LOG is used constantly by the minister to say, "Boards can use this fund," and that fund has been overspent probably 100 times? Are you aware that that is used constantly to say, "Boards have flexibility and they could use this and this and this," and that's been overspent by millions and millions, in terms of its use to explain that they have various places to get that money? It's been overspent, over and over. Do you concede that?

**Hon. Ms. Pupatello:** No. The boards also are totally variant in what it is they need.

**Mr. Marchese:** I know that, too.

**Hon. Ms. Pupatello:** The individual contracts have their salaries at all kinds of various levels historically.

**Mr. Marchese:** I know that, too.

**Hon. Ms. Pupatello:** So the gaps are also extremely different in every board, and that's why the solutions for them—they insist on the flexibility of using different lines. So I don't know if you want to move to—

**Mr. Marchese:** I realize that. We'll come back to it. Thank you, Chair.

**The Chair:** I'd like to recognize Mr. Arthurs, please.

**Mr. Wayne Arthurs (Pickering-Ajax-Uxbridge):** Thank you, Mr. Chairman, for the opportunity. I can tell you, the members on this side are looking forward to our opportunity now to ask some questions. I certainly have one, perhaps with a couple of comments. I'm not going to use 20 minutes; I look forward to other members of our caucus having the opportunity. Mr. Zimmer, I think, is probably going to follow up, as the case might be.

Yesterday was rather interesting. I was most engaged, Minister, in your comments about the liberal arts activity we've undertaken, whether it's in music or in art or in phys ed, particularly with the number of teachers sitting around the table. I have an education background. I was one of those phys-ed-jock guys back when, and moved

from there into counselling because I wanted to engage kids in a very different way, in addition to in the gym, and see kids in a full and wholesome role in the schools. So I was most engaged in what you were saying and the enthusiasm you were expressing around that front.

As part of this quick story, when it comes to young people in particular—not the high school kids; the really little ones. My wife teaches. She's a grade 1 teacher; has been for some years now—taught a number of grades; but for the past, oh, I don't know, 10, 15 years probably, she's been teaching grade 1. One of her students was a young lady who became quite a good athlete. In fact, my wife was her first coach in grade 3. That young lady is Perdita Felicien, our world champion hurdler. It was that engagement with my wife that encouraged her to pursue the track initiatives that, in my view, to a large extent, led her in the direction she went. So I have a very special place in my heart and in our lives for the liberal arts kinds of activities, for the engagement of the youngest of folks in those kinds of things that aren't all in reading, writing and arithmetic, that engage them in those other things that round out their lives. Perdita has become a spokesperson, and will be a spokesperson, for young people of all cultures in this country, and will continue to do that. I just wanted to lead in, if I could, with that.

I'm particularly interested today, though, in your thoughts on our Learning to 18 strategy. Coming from the high school setting and having counselled kids for a number of years, it was so important to try to assist kids in finding what they would do if it was post-secondary education or, equally important, what they would do if they chose not to move on to a post-secondary environment. Often it was a choice at that point for many kids: "Your education is going to come to a conclusion. Your formal education is concluding; you have to make some job choices." These were children who were 14 and 15 and 16, who were faced with that kind of dilemma.

I believe that this strategy provides those children with some clear alternative options to be able to finish their formal education, albeit maybe not in the classroom, and to be able to leave the more formal education setting with a diploma in hand and with the skills necessary to either proceed through apprenticeships or the work environment or into other forms of post-secondary education. I'm very interested in your thoughts and your vision for these young people as they try to find their way toward finalizing their secondary education.

**Hon. Ms. Pupatello:** Thank you so much for your comments. I really appreciate your own history, which I wasn't aware of, other than you were a great civic leader in your own hometown. I didn't realize that you had an educational background as well. My own history of what kept me in school right through elementary and high school was, in fact, sports and extracurricular activities, hurdles included. Unfortunately, I didn't get as far as your wife's student.

I would like my deputy to speak to the student success strategy for our government, because I think it is one of the very exciting areas of change in our high school



system. In speaking to teachers individually, they are totally onside with what is happening in this area, and there are some very, very exciting things. Ben has had the opportunity, as well, to speak across Ontario on this initiative, so I'd like him to make some comments.

**Mr. Levin:** I could talk about this for a very long time, which I presume the members don't really want me to do.

I think the Learning to 18, the student success strategy in secondary education, is one of the most exciting and comprehensive approaches to secondary education reform that we've seen, frankly, anywhere in the world, because it covers multiple bases. One base of this is ensuring that we make changes so that kids don't get lost in large high schools, so that somebody knows who all the kids are. We know from research that a sense of connection in the school with an adult is a key factor in keeping kids in school. The provision of student success teachers and the reduction of class sizes in some key areas is an important part of that strategy. We'll be taking some further steps around helping teachers to improve pedagogy; to engage learners more effectively is another part of that.

A second piece, referring to the member's question on different routes: We know that young people take many different routes and that they change their minds. Students have plans in grade 11, but those are rarely the things they end up doing. I would venture that most of the people in this room are not doing what they thought they'd be doing when they were in grade 11. We need to give people multiple routes and flexibility, and that is another part of what we're proposing to do through the provision of dual credits, high-skill majors and external credits, through strengthening partnerships between high schools, employers and community agencies, which will allow schools to construct more flexible programs that engage students but actually lead to real outcomes and not dead-end outcomes, and that give students chances to change their minds, which is what happens to most of us as life goes on, and to move from one path to another.

I'll just make that very high-level, overview comment.  
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**Mr. Arthurs:** I've got to tell you, if I had thought in grade 11 that I'd be doing what I'm doing today, I probably would have quit school.

**Hon. Ms. Papatello:** What did you think you were doing, just to be curious? Oh, a jock; that's right.

**Mr. Arthurs:** When I was leaving high school, at that point I really didn't know. I knew I was going to pursue post-secondary phys ed, but it had a large amount to do with seeing kids in a holistic fashion. It wasn't because of the content. It was a window of opportunity to work with kids from early morning until late evenings and doing things with them that they wouldn't otherwise engage in.

**The Chair:** Thank you, Mr. Arthurs. Mr. McNeely?

**Mr. Phil McNeely (Ottawa—Orléans):** One thing I've been doing in the last year is getting into more schools. I'm always well received at the schools. I think that's because the changes have been showing up.

Teachers certainly are pleased with what's going on, and the kids seem to be quite happy.

**Mr. Marchese:** Phil, we can't hear you.

**The Chair:** Can you move forward?

**Mr. McNeely:** The last time I was in a school, the teacher was thanking me for the dollars that just came from the ministry for new books for the library, and that's so important to the kids. So I'm really pleased with that.

I have one specific question that relates to my area of Ottawa—Orléans, which is abutted on one side by Prescott—Russell—Glengarry and on the other by Ottawa—Vanier. Probably 50% of the population in those three ridings is franco-Ontarian, French. One of the things they are up against in their school boards is that they have longer distances to travel. When you compare the number of school boards in Ontario, we have 12 French school boards and 60 English school boards, so the geography is much different for the French school boards. Is this being taken into account when you are dealing with the French school boards? What assurances can you give the French-speaking people in my riding that they have access to an excellent public education?

**Hon. Ms. Papatello:** Thank you. I wanted to have an opportunity to put on record some of the significant improvements in the French-language system that I know individuals are very happy to see: in particular, a \$205-million increase, which is a 27% increase. Enrolment in French-language education has actually decreased by just over 2%, so the funding per pupil is actually enhanced by more than 27%. Our previous Minister of Education, in my view, had a significant interest in this area, and I hope to continue that as well, so that we can determine exactly what it is that the French-language boards need in order to succeed and that those students in those programs should have the same level of expertise and quality as you would find in any board.

I think it's fair to say that, given the challenge in particular that 12 boards have in meeting the entire geography of Ontario, which is very different and calls on different techniques to be applied in terms of managing that kind of space—it calls on the kind of additional support that we come to the table with, and we're hearing very good reports in regard to that.

Just this past February we announced \$6.5 million to expand the courses that are being offered in French-language high schools. That speaks to parents understanding that if their kid is in that school, they're going to have the same level of choice that other students have. That was certainly a concern around the level of quality and availability in that program.

The permanent French-Language Education Task Force was also established, which is about addressing French-language education issues. I hope that community will see a significant commitment to getting to the solutions, not just once in a blue moon throwing some money at the problem, but actually organizing a systematic way to identify what the issues are and then finding a systematic way to address them too.



I think the other program, the Aménagement linguistique, as policy, requires each French-language school board and school authority to develop local policies to support our government's broader educational objectives and the unique challenges that face French-language education. So I know that there will be much more work to do in this area. I'm actually, this week, sitting down with representatives from all of these boards as well. As you know, in the first 15 days or so—the working days, I suppose, by now as the new minister—I wanted to meet with all of these significant groups, yesterday. All of them are coming up each day, and this is certainly a group that I'm anxious to sit down with. But I anticipate, Mr. McNeely, that you'll be helping me with this task.

**Mr. McNeely:** Thank you for that answer. Just from the point of view of the difficulties and the energy that's required by francophones to maintain their language and their culture, I was at an event with Minister Meilleur in Ottawa-Vanier last Friday, I believe. It was saluting five or six members from 12 schools as ambassadors for the Franco-Ontarian flag and for the French language and French culture. It's really great to see that dynamic in our community.

Statistics, I think, still show that there's attrition. As kids get older, they leave the system. What will your ministry be doing to make sure that French language education is strong and continues to be strong for Franco-Ontarians?

**Hon. Ms. Papatello:** I know that our minister responsible for French services, Madeleine Meilleur, is extremely tough, as you know, on all of the ministers in all of their portfolios to be certain that Ontario government services are provided in an appropriate manner for French speakers. In my last two and a half years, I've certainly suffered the wrath when we haven't been up to par, and we've had to get moving on that.

This area in education will be no different. Our history in the last two and a half years I think is very telling to people in the French system. There has been significant financial support, the likes of which these boards have never seen, because again, they were relatively new. So never in their history of being have they seen this level of support or these levels of increases. Moreover, I think what's more important and more telling than just the money is being systematic about how we're going to approach identifying what the priority issues are, how we maintain the stability of the French-language system and how we get at solutions and establish a group that is our go-to group, for example; not ad hoc but, rather, permanent. So you can see that we're anticipating having an ongoing dialogue and a relationship with them.

**The Acting Speaker (Mr. Wayne Arthurs):** Mr. Zimmer, you have approximately two minutes.

**Mr. David Zimmer (Willowdale):** That's all?

**The Acting Chair:** That's it.

**Mr. Zimmer:** Then I'll go to my short question. I'm a Toronto MPP. I represent a Toronto riding. As you know, violence in schools is a huge issue in the province, but it's particularly an issue in Toronto. What are your

thoughts and plans and ambitions to deal with that problem?

**Hon. Ms. Papatello:** In two minutes? I know that a lot of our colleagues actually have been charged with participating in the solution, in particular for Toronto. But as other ministers have recognized, the issue isn't just Toronto. We need to be certain that we are leaving other parts of Ontario in as part of the solution, in particular around our safe schools.

The former minister made significant inroads to provide, I believe, over \$3 million in the area of technology and equipment for schools physically to make the physical improvements required on school property. That happened last year, which I believe was very well received. In addition, I know that we are going through those safe school audits, and I'm hearing some pretty great stories of local boards engaging with their local police services groups to do those kinds of safe school audits, bringing in experts at the local level to say, "Are we doing everything we can to make our environment safe?"

In this coming week, ideally during Education Week, we're going to have much more to say about taking more steps forward for safe schools. I think that's what every parent wants.

**Mr. Zimmer:** I look forward to that. Thank you.

**The Acting Chair:** You have approximately a minute left at this point.

**Mr. Zimmer:** I'll graciously yield it to the opposition.

**The Acting Chair:** In that case, we'll turn to the official opposition. Mr. Wilson.

1700

**Mr. Jim Wilson (Simcoe-Grey):** Thank you. Minister, I want to read into the record a couple of letters from constituents and ask you to get back to me, if you don't mind. I'll provide you with copies of the presentations they've made to me.

The first one deals with a school in my riding. It's St. Paul's elementary school in Alliston. It's the school where I went to grade school and where my mother taught for over 30 years. A parents' group, for the last year, has been trying to have the school rebuilt. There's quite an extensive PowerPoint presentation, which I'll provide in hard copy to you. They've been working with the school board. The school board hasn't quite decided yet whether this school is deemed to be on their prohibitive-to-repair list, but maybe that's something that your ministry could work with the school board on.

The first letter is from Tuesday, April 25, 2006:

"Dear Mr. Wilson:

"The parents of St. Paul's school raised many issues in 2004/05 school year, regarding safety, cleanliness, and state of repair of the school.

"The condition assessment completed by the provincial government in 2003, on St. Paul's elementary school, identified the school required over \$1.8 million in repairs. Apparently, in May 2005, the Simcoe Muskoka Catholic District School Board approached the Ministry of Education with the intention of having the school

deemed prohibitive to repair (PTR), as they believe St. Paul's school requires \$2.28 million in repairs, 84% of the school replacement cost. A response from the Ministry of Education was anticipated in the fall of 2005. To this date, no response has been given to the school community regarding the PTR.

"Recently you received pictures of the conditions that existed at that time. Although some of the conditions have made steps towards improvement, the majority of the concerns raised still exist today.

"Concerns regarding poor air quality were confirmed in May 2005 by an air quality specialist hired by the board. Hoppers were installed in an attempt to improve the air flow. Upon receiving the poor air quality results last year, the parents offered to purchase equipment that may improve the air quality. This request was denied.

"In March 2006, the school community asked to have the air quality tested again. The results of this test confirmed the hoppers made no difference in the air flow and the air quality continues to lack the adequate air needed to conform to standards set 45 years ago.

"Earlier this month, the board and the air quality specialist were asked what could be done to correct the ongoing and immediate health concerns for the children and staff at St. Paul's school. The air quality specialist suggested installing a unit ventilator in the exterior of each classroom. The board confirmed to the school community, the central boiler and electrical system cannot accommodate any additional usage. Once again the children are being kept at risk.

"As parents we have entrusted the school board and the provincial government with the safety and well-being of our children. Help us to surround them with the respect and dignity they deserve. Time is of the essence as the condition of the school continues to worsen.

"We have faxed to you documents sent home to the families through the school in April and May of 2005. We are also enclosing a response letter sent to Michael O'Keefe, director of education for Simcoe Muskoka Catholic District School Board, dated June 2005.

"We believe the health of the children is being affected. Our priority is for the children at St. Paul's school to learn in a safe and clean environment, this has been 'deferred' for far too long. Will you help us to protect the children?"

That's signed by Milva Biffis and Janet Murphy of the concerned parents' committee.

Minister, I don't expect you to give me an answer today, but if you could undertake to contact that school board. Michael O'Keefe and I have been trying to contact each other for the past few days, but either I'm in meetings or he's in meetings. He's the director.

I can vouch first-hand that the school stinks. It's in terrible disrepair. I don't know how it got missed in the upgrades that have been done. They're certainly looking for a replacement school.

I don't know if you want to comment now, Minister, on that, or do you want me to go on to the next letter, which is a different issue?

**Hon. Ms. Papatello:** We have a number of issues across Ontario that are pending, if you will. I'm happy to receive the package, including the PowerPoint, and to review the case of your own elementary school, actually, I understand you said. I appreciate that. Thank you.

**Mr. Wilson:** Thank you. The next issue has to do with some constituents who came to see me who home-school their children. I must admit, the points they brought up concerning Bill 52, the Education Statute Law Amendment Act (Learning to Age 18), 2005—I just wonder if the government has addressed this and what the answer is to the parents. I'll just read their letter. It's from Mr. and Mrs. Michael Kidd of RR 1, Ravenna, Ontario—where George Smitherman's mother lives, by the way—and it's dated February 20, 2006.

"Dear Mr. Wilson:

"We are writing to review the positive aspects of home-schooling and discuss the negative aspects which Bill 52 will have on home-schooling.

"Our family has been home-schooling in Ontario for the last 20 years along with many other families in our county. We have graduated four sons, who are all happily employed or in post-secondary education. Home-schooling has been a very positive experience for our family. The children have grown up to be responsible, confident, hard-working, but most importantly having integrity making them an asset to our community. They have well-rounded skills, and are motivated to contribute to society. We have included articles and studies which will confirm our experience is widespread among home-school families.

"We are concerned about Bill 52, and its negative impact on home-schooling families.

"Raising the age of compulsory education to 18 would restrict home-school freedoms. We would have two more years to justify to the government re our education plans for our children. Often home-school children graduate early, or they have employment opportunities as part of their education. Fining employers, or parents for children under 18 that are employed would be detrimental to the children's whole education.

"Keeping back the ability to get a licence"—referring to a driver's licence—"would also cause difficulty for our students who need to drive to work situations, or learning opportunities. We suggest that there should be no ties between Ministry of Transportation and Ministry of Education. Should you refuse to [do] this then a letter from a parent that states that the child is home-schooled should be sufficient to allow them to get their licence.

"We have asked for an interview with you and hope to be able to discuss this with you ASAP. Thank you for taking the time to think through this issue and represent the home-school families in this area in the Legislature. Please feel free to give us a call or e-mail..."

Anyway, I did meet with them shortly after receiving this letter from Michael and Marilee Kidd. I can provide you with a copy of the letter. I did tell them that there would be some opportunity probably this month to bring this to your attention and ask for a response.



**Hon. Ms. Pupatello:** Thanks. I'm happy as well to table a response to the family that has written. I think we need to make it clear that the legislation's intent, and as it's written, speaks to learning to 18 or graduation. So there will be many instances in the public school system and in home-schooling—obviously, most children are in public education, and they're graduating before age 18. That is also often the case with home-schooling. So when they're graduating and they're 16 or 17, then clearly this doesn't apply. The bill is actually intended for those who are 18 and who haven't yet graduated.

These instances that you're speaking of and that this woman has written to you about clearly wouldn't apply, because her own children, as she's identified, are not 18 and they've already graduated.

**Mr. Wilson:** Is that clear in the legislation, and is the home-school association aware of that, because they alluded to the—

**Hon. Ms. Pupatello:** Yes. Just because I've not seen that correspondence but I'm clearly likely going to, I will endeavour to get the information to the writer, as well as to the association.

**Mr. Wilson:** Thank you.

**Hon. Ms. Pupatello:** Chair, just before you move on, do you want these tabled at any time? There are three answers to—

**The Chair:** As soon as you have them, that would be great. The clerk will relieve you of those.

**Hon. Ms. Pupatello:** Yes. We have three. I'm just wondering if there is a points system here at this committee. There clearly must be points for getting answers next day for this committee.

**Mr. John Wilkinson (Perth—Middlesex):** No brownie points.

**Hon. Ms. Pupatello:** No Brownie points? Somehow I don't think this particular Chair is going to be interested in giving me Brownie points.

**The Chair:** You're definitely not a Boy Scout, Minister.

Okay, Mr. Klees.

**Mr. Klees:** Minister, Mr. Marchese was following a line of questioning with you on the Dufferin-Peel board's review and, I think rightfully so, was challenging you or your ministry in terms of what the expectations are for the board, particularly in light of your comment in the House the other day that you would not preside over any cuts to services in education, that that was not your intention and isn't something you would support, and yet, of course, that entire report is really nothing but cuts to services.

1710

The Toronto District School Board was in very similar circumstances, and there was a review. Inspectors were assigned to the board, did their assessment and made some very specific recommendations—really not very different from the kinds of recommendations that are being made to the Dufferin-Peel board. Yet the Toronto board wasn't dealt with in the same way that it seems you intend to deal with the Dufferin-Peel board. In fact, a

significant amount of money was transferred to the Toronto board to help them out of their deficit.

I have two questions for you: First, what was the amount of money that was transferred by the ministry to solve the deficit problem in the Toronto board, and second, why would you be dealing so differently with the Toronto board and the Dufferin-Peel board?

**Hon. Ms. Pupatello:** I will take that question and endeavour to get you an answer on the transfer regarding the financial information. Some of the background and reasons were clearly before my being in this position, but I will try to get you some of that information. I will tell you that the supervisor your government appointed, in the end, brought a number of spending behaviours to the board that caused even more problems. Some people are viewing it as because of the supervisor you put in place in the Toronto board.

As I mentioned to the other member, I will tell you that as of last evening the trustees of the Dufferin-Peel Catholic board have agreed with us that our number one action at this time is to actually determine what the deficit is, because neither we—the ministry—nor the trustees are able to say exactly what the number is, and the number has changed. So until we have the number, trustees, rightly so, are loath to say, "Are we going to look at all 20 recommendations the investigators made? Clearly, we don't need to find \$20 million or \$22 million." The number has changed again by about \$7 million in the past week.

I'm very happy to say that both the chair of the board and I have agreed that we have significant work to do and we're planning on doing that together. Historically, in the days when your Conservative government called a supervisor in to the Toronto board, most Ontario boards were in deficit. That whole scenario has changed. That is simply not the case today, and it's largely because, as you know, the estimates are showing an increase of about \$2 billion, the lion's share of which is going to school boards. So the financial position is altogether different today.

**Mr. Klees:** Minister, in the final analysis, the point I'm making here, and I think you have to agree, is that the process of review that was applied to Toronto—namely, a third party independent review that identified certain concerns and made certain recommendations—was exactly the same process as your government has entered into now. I look forward to hearing your response in terms of the amount of money that was then transferred by the ministry to the Toronto board to help them with their deficit problem. It will be interesting, for the record, to see what that is and how you conduct yourself with the Dufferin-Peel board.

I want to move on to specifics, and I'll use the Toronto board as an example. We have some very specific numbers relating to the Toronto board as it relates, first of all, to this funding gap for a number of areas, and I want to review all of those with you. I think it may help you as well, in your induction into the ministry.



First of all, it talks about the difference between the commitment as a result of the contracts that have been committed to for teachers' salaries and benefits, and the amount of funding that is available through the ministry. You like to refer to the previous government as having created all this, and that somehow all is well since you've come on board or since the Liberal government took over the reins. The actual numbers for the Toronto school board—by the way, this is consistent across the board as well—are that actually the funding gap has increased significantly over that period of time. You're shaking your head. Well, I have the numbers here, Minister, and I look forward to hearing from your ministry as to why the Toronto school board numbers differ from yours. They show that for 2002-03, the gap for salaries for elementary teachers was 6.7%. In 2003-04, it went up to 8%; for 2004-05, the gap is 9%. Projecting forward, it is in the range of 9%. So, really, you have an increase of 3% in the actual gap from the time your predecessor—I won't blame you for this—had responsibility as Minister of Education. You have appeals from the Toronto school board to address this issue.

I'm simply going to ask you, in light of the fact that your government is responsible for this increasing gap—

**Hon. Ms. Papatello:** That's not the case.

**Mr. Klees:** You say it's not the case, Minister, and I would ask you then to please provide me, through your ministry, with a written response to prove these numbers wrong. I'll table them with you. Specifically, I want comment in terms of the increased gap in funding over the years that you are now disputing. I'm surprised that you would do that. You've only been in your chair for a few days and yet somehow you can say with all certainty that these numbers that are prepared by the financial department of the Toronto school board are wrong. So, I'll be very interested. I think—

**Hon. Ms. Papatello:** I appreciate the opportunity to address this for you, and I'm happy to receive that information as well, so we can do some comparative reviews. The reality across the province is that per pupil funding has increased by 17%. We have 40,000 fewer students in Ontario, but we have \$2 billion more in the system. Unlike your government—

**Mr. Klees:** Minister, that bafflegab doesn't help the Toronto school boards.

**Hon. Ms. Papatello:** But those are facts.

**Mr. Klees:** That isn't the issue we're dealing with.

**Hon. Ms. Papatello:** Those are facts of funding that you need to understand as well.

**Mr. Klees:** We're not dealing with how much more money is in the system.

**Hon. Ms. Papatello:** Absolutely we are.

**Mr. Klees:** I am dealing with the funding—

*Interjection.*

**Mr. Klees:** Excuse me, Chair. Mr. Wilkinson—

**The Chair:** Someday you might be the Chair, but today you're not. I don't need any additional help here. This is challenging enough. Thank you.

**Hon. Ms. Papatello:** I'll speak specifically—

**Mr. Klees:** If I might just finish, Chair, the reality is that Mr. Wilkinson has no business carping into this discussion, and he should know that.

To the minister: I look forward to the explanation regarding the increase in the funding gap. I want to—

**Hon. Ms. Papatello:** May I just address part of that for you? For the Toronto board, what we have—

**Mr. Klees:** No, I've heard enough, and you'll get back to me.

**Hon. Ms. Papatello:** Well, you asked me the question. You have to allow me the time to answer the question.

**Mr. Klees:** But you said you have to get back to me.

**Hon. Ms. Papatello:** No, I don't. What I need to tell you—

**The Chair:** Minister—

**Hon. Ms. Papatello:** I need to put something on the record in response, Chair.

**The Chair:** You'll have an opportunity to do that. He asked you a specific question. You said you weren't able to respond. He now has asked—

**Hon. Ms. Papatello:** He asked me several questions, actually.

**The Chair:** Fair enough.

**Hon. Ms. Papatello:** I have not had an opportunity to respond.

**The Chair:** When he yields the floor to you with his next question, you can briefly respond.

**Mr. Klees:** I'd like to move on to another area where there is a significant problem.

**The Chair:** One minute.

1720

**Mr. Klees:** Seeing as there's only one minute, I'll take the opportunity in my next round to discuss with you a number of other areas specifically relating to the Toronto school board but, from my discussions with trustees from school boards across the province, this is not unique to Toronto. We will not accept a response that simply states that there are an additional so many millions of dollars in the system. That isn't what is creating a deficit. What created the deficits were the additional commitments that your government made in terms of funding of programs and contracts without the sufficient funding for it. You made spending commitments, but your predecessor failed to deliver the funding, and that's why many school boards are in a deficit situation today, and we'll see, in the next fiscal year, many more. That's what we'll deal with, and I look forward to your specific responses to my specific questions in the next round.

**The Chair:** Thank you very much, Mr. Klees.

**Hon. Ms. Papatello:** Chair, am I in a position—

**The Chair:** I've already stated that you indicated you're going to get back and respond to the material.

**Hon. Ms. Papatello:** But he's tabling additional questions that I should have the opportunity to answer and put on the record.

**The Chair:** We have run out of time, and I will recognize Mr. Bisson.

**Hon. Ms. Papatello:** What is the format, then? Does the minister get to answer the questions, or do they just have the ability to put them to the table? I just need to know.

**The Chair:** The format was very clear if you were paying attention.

**Hon. Ms. Papatello:** Perhaps you could explain it to me. I need to know your format. Seriously, when do I—

**The Chair:** Will you cut her off?

What I explained—

*Interjection.*

**The Chair:** If you need a more detailed explanation—and if you'll listen, I'll explain one more time. Each political party gets 20 minutes. That 20 minutes is now over for Mr. Klees. I don't think it's appropriate that I start taking time away from the Liberal rotation because of the timing—

*Interjection.*

**The Chair:** No. If both of you can shorten your questions and you can get it into shorter answers, then we can work. My job is to move forward, and I'm now recognizing Mr. Bisson.

**Hon. Ms. Papatello:** My intention is simply to have answers.

**The Chair:** I'll draw you a diagram.

**M. Gilles Bisson (Timmins-Baie James):** Merci—

*Interjection.*

**M. Bisson:** Madame la ministre, j'ai des questions.

**Mr. Marchese:** Mr. Chair, if I can, the questions—

*Interjection.*

**Mr. Marchese:** Minister, you're talking, and you've got to listen, right? You can either respond to his questions on the next round when we get to the Tories or take some of the Liberal time to answer that question. So you have an opportunity, either in response when you've got the Liberal time or when we get to the Tories. Okay?

**Mr. Bisson:** Not on my time.

**The Chair:** Mr. Bisson, you have the floor.

**M. Bisson:** Merci, monsieur le Président.

Madame la ministre, bonjour. Comment ça va? J'ai des questions spécifiquement—vous comprenez le français, hein? I'm not sure. Comprenez-vous le français? Je peux faire ça en français ou—

**L'hon. M<sup>me</sup> Papatello:** Je peux comprendre tout le français, mais je pense que ce n'est pas assez suffisant pour faire une bonne réponse en français, parce que la demande est très spécifique.

**M. Bisson:** Mais je suis un francophone. J'aimerais faire mes questions en français.

**L'hon. M<sup>me</sup> Papatello:** Excusez-moi. Je pense aussi que mon député peut parler un peu de français, oui?

**Mr. Levin:** Une espèce de français.

**Mr. Bisson:** Une espèce. Okay, I'm going to do an espèce of English. How's that? Just for the committee—

**The Chair:** Mr. Bisson, if I may, if you require translation services for the benefit of all members, we can make that arrangement.

**Mr. Bisson:** No, I realize that.

**The Chair:** I just want to explain the process—

**Mr. Bisson:** I understand the process.

**The Chair:** —because apparently people are not clear on how we do estimates.

**Mr. Bisson:** I'm very clear. I've been doing estimates for 16 years. My question is, how much time is left in these estimates?

**The Chair:** Just under six hours.

**Mr. Bisson:** So I can arrange for French translation? At the next estimates, I can do this in French?

**The Chair:** If you give the Chair sufficient notice, the clerk and I will ensure that we can move back to the Amethyst Room, and then all members will be able to stay current with you. That's all I wanted to put on the record. You have the right to proceed if you wish, but you're aware of the minor complications that creates for people.

**Mr. Bisson:** I would ask that the next time the committee meets, we provide for translation services and I'll do this in French.

**Mr. Marchese:** He'll ask his questions next week.

**The Chair:** Just give me two seconds.

Okay. We are in room 151. We will ensure that you have French-language services next Tuesday; we'll accommodate that. That's taken care of.

**Mr. Bisson:** Merci, monsieur le Président.

**Mr. Marchese:** I was interested in Mr. Arthurs's remarks—he is a former physical education teacher—that he supports holistic education, which obviously would include physical ed. I wonder whether the minister can give us figures, because she talks about the liberal arts in a way that she was so proud of. I would be interested to know if the minister and the deputy can provide figures about how holistic we are in our education system.

Minister, could you give us figures from since you came into power on music programs and how much by way of music teachers and programs we now have in the system as a result of all of the billions of dollars you poured in? For music, for art—because you've poured so many billions of dollars in and you're so proud of the liberal arts, it would be good if you can give me the figures. I'm assuming Mr. Arthurs, as a former physical education teacher, would think that librarians are a key part of that liberal arts development; it's certainly part of the literacy development, as a former teacher. So could you provide us with how many more librarians we have under your government where you've poured in billions of dollars more than the previous government? Could you also provide us with how many more physical education teachers we have under your government than the previous government? I like Wayne Arthurs's talk about a holistic approach to education, and I'm so excited with the minister talking about the liberal arts. Could we get those figures?

**Hon. Ms. Papatello:** As a matter of fact, I can tell you now that there's a \$139-million investment and 2,000 specialist teachers who have been hired at the elementary school level for phys ed, music and art, and we are having a tremendous response from our teachers.

**Mr. Marchese:** Great. Could we—



**Hon. Ms. Pupatello:** The numbers are quite staggering and the investment is absolutely historic.

**Mr. Marchese:** That's great. That is so, so good. If you could provide us the figures for school boards, even with a little chart, of how many more teachers we have in music, art, librarians, physical education teachers and even guidance teachers. Could you do that for me?

**Hon. Ms. Pupatello:** I'll find out when you might be able to get such information if it's available and easily accessible.

**Mr. Marchese:** And if it's complex, could you let me know in a month or so that it's complex and you require more time to let me know?

**Hon. Ms. Pupatello:** Perhaps, yes.

**Mr. Marchese:** "Perhaps" means you're upset today, so it might not happen?

**Hon. Ms. Pupatello:** No. You've asked many, many questions today, and we endeavour to get all of the information to you.

**Mr. Marchese:** It's just that you spoke so brilliantly today about the liberal arts—

**Hon. Ms. Pupatello:** It was yesterday.

**Mr. Marchese:** —and I was so pleased that Wayne Arthurs was so supportive of that. I want to know that the evidence shows that, because you poured in so many billions.

**Hon. Ms. Pupatello:** Not billions; \$139 million.

**Mr. Marchese:** No, but in terms of education in general, billions, I think.

I hope, Deputy Minister, you can help us out as well in this regard as best as you possibly can.

There was another question that I wanted to ask you. The Dufferin-Peel Catholic district board wrote you a letter on April 11, and it says, "With respect to the balance of the report's recommendations, the board is perplexed as to why the ministry's investigators would recommend cutting services and redirecting dedicated funds at the same time that they recommend increased provincial funding." Could you respond to that?

**Hon. Ms. Pupatello:** This board in particular received \$100 million, which is a 19% increase in funding, and had a 3%, if that, increase in enrolment. They have had some increases in administration, some of which they have justified to us; they feel justified in those increases. Overall, I think it's important that you check with that local trustee board to find out their new numbers, because their numbers have changed.

1730

**Mr. Marchese:** Okay. So what you're saying is that you've given an extra \$100 million. You admit, in the one or two articles that I have read on April 24, that there's some shortfall in funding as it relates to what the Conservative government did or did not do, but you then say, "But they received \$100 million." So there are shortfalls in funding, but because they received more, too bad, so sad; they just have to find a way to make it so that their budget is balanced. Is that more or less what I understand you to be saying?

**Hon. Ms. Pupatello:** No, that's not it at all. What we are saying is not just to this board but to all boards: We anticipate that their funding—and we have funded all of our initiatives. In the area of salary, for example—the previous member asked a question around the gap. As this member would know and you would know, we've actually made allowances for an increase according to the four-year contracts, which are 2%, 2%, 2.5% and 3%, reflected in the funding models for that board—

**Mr. Marchese:** Chair, she's not answering my question, so it's not very helpful.

**The Chair:** When you ask a specific question about numbers and we don't get an answer, that's the end of it. If you're asking the minister her opinion on something—not this question; the one prior to that; you asked her to comment—I have to let the minister have reasonable time to comment.

**Mr. Marchese:** Even if she doesn't answer the question?

**The Chair:** I'm not here to determine the quality of the answers; I'm here to ensure the quality of the discussion. I want to make sure: If you're going to ask a specific question, I will cut the respondent off if they're not answering on the subject matter as well. But the minister was still answering the question, and I'll give her a reasonable amount of time to do that.

**Mr. Marchese:** So if I say that I'm satisfied, you move on?

**The Chair:** If it doesn't appear to be rude. If you're satisfied, then we can proceed.

**Mr. Marchese:** Thank you, Minister. Your own investigator recommends that the minister move, as quickly as government resources allow, to narrow the salary gap for existing staff. The investigator says, "as quickly as possible." Do you intend to move on that recommendation? If so, when might you do it?

**Hon. Ms. Pupatello:** As I said earlier, if we had had this estimates committee meeting after the grants had been established for 2006-07, all of us would be in a better position to address the numbers, but the reality is that the budget timing this year was different. I did acknowledge for the board, as they have already heard, that, over the next three years, we have already committed to increases of 2%, 2%, 2.5% and 3%, just in the area of salary—

**Mr. Marchese:** I'm asking a very specific question, Minister.

**Hon. Ms. Pupatello:** —but that specifically means that that gap is not growing in the area of salary because we have come forward with the funding to mitigate that. This board is aware of that, as all the boards are.

**Mr. Marchese:** So this investigator, someone you know very well, makes a specific recommendation, and all you can say is that you're putting in 2% a year and that's dealing with that gap?

**Hon. Ms. Pupatello:** No, it's 2.5% and 3%, and it's very important.

**Mr. Marchese:** So even though your investigator knows this and he's making a different recommendation,



what you're saying is, "That's what we're doing and that should satisfy that."

**Hon. Ms. Pupatello:** No, I've not said that. That's misquoting me. I've never said that; that is not at all what I've said. What I've said is that the previous minister has already made information available to this board and all others that, at a minimum, we've come forward with 2%, 2.5% and 3%.

**Mr. Marchese:** Thank you. I'm satisfied with the answer. It's unbelievable how ministers—I think that's why you've been appointed in this ministry: to not answer questions.

In his 2002 report, Dr. Mordechai Rozanski singled out this gap as a major problem and recommended that the government act. Are you conceding that you haven't fulfilled this recommendation?

**Hon. Ms. Pupatello:** I will say specifically that in many instances, we've actually gone far beyond what Rozanski has identified, especially in the area of funding, so we're quite proud of our record.

**Mr. Marchese:** Could the ministry staff please provide a status report on the implementation of the 2002 education task force, the Rozanski recommendations?

**Hon. Ms. Pupatello:** I will endeavour to see if that might be available to this member.

**Mr. Marchese:** "If it might be available"—? I didn't hear the other words.

**Hon. Ms. Pupatello:** To this member.

**Mr. Marchese:** If it might be available. I see. "Might be available" to the extent that maybe it's done, and you have to consider whether it's available, whether they can do it or whether my request is not able to be agreed to? What are you saying?

**Hon. Ms. Pupatello:** If it's available and easily accessible, I'm happy to provide it to this member. But I think this member also appreciates that if you're asking for something that at first blush may or may not be a significant amount of work—I'd like to get back to the member to tell him it's actually possible. I think that's a fair request of a minister who's been in the chair for 15 days. If it's easy to get for you, I'm happy to do it.

**Mr. Marchese:** "If it's easy to get for you." So could I please understand? You're saying, "If this takes too long, I might not be able to give it to you." Is that what you're saying?

**Hon. Ms. Pupatello:** Well, the experience you've had so far in calling this ministry to this committee tells me that I won't have to work too hard to improve the standard that you're used to at this point. So I think I'm going to do my best. As you might have learned, some of the questions that you tabled yesterday have now been responded to in writing, and you've already received them.

**Mr. Marchese:** So could you provide a status report on the implementation of the 2002 education task force?

**Hon. Ms. Pupatello:** If it's available, it's readily available, it's easy to find that information for you.

**Mr. Marchese:** What does that mean, "If it's available"?

**The Chair:** Cut all the mikes, please.

I want to put it on the record that the rules for order paper questions are the same rules that apply to this committee except for time: They're required. I don't want you to labour with this discussion; I'll give you the extra time, Mr. Marchese.

The expectation of the ministry is that it is required to respond like an order paper question. You never get an order paper answer saying, "We could do the information but we don't have it currently in a report." They're required to do that. So the ministry is required to answer your questions to the best of its ability. I just wanted to clarify that for the minister. And you seem to be inquiring about, if the report doesn't exist, you won't be able to get an assessment of it. The ministry's still required to give you that assessment.

I'll give you back the floor, but I want to put that on the record for everybody, and hopefully that clarification—and leave it up to us, the staff and the Chair, to ensure that those are brought forward in a timely manner. You have the floor.

**Mr. Marchese:** Mr. Chair, you and I are aware of the rules, and I'm questioning the minister in terms of "if it is available." So I'd like her, for the record, to keep on saying that, because it's just part of the politics. But I am expecting that the deputy, who knows the rules, will answer the request that we're making.

Your ministry has announced benchmarks through 2008, and these benchmarks leave a gap. Could we conclude that you don't intend to remedy this gap within your mandate?

**Hon. Ms. Pupatello:** I think it's fair to put on the record that, in the eight years I spent in opposition, at estimates the ministers actually participated in the committee for the half-hour they spoke and then they didn't attend the committee meetings whatsoever. That was almost always the case—

**Mr. Marchese:** Sorry, sorry—

**Hon. Ms. Pupatello:** I think Minister Wilson was an exception.

**Mr. Marchese:** Sorry—what question is she answering, Mr. Chair?

**Hon. Ms. Pupatello:** I think it's fair to say that we've been quite—

**The Chair:** First of all, Minister, that is not factually correct. If you'd just respond to the question. If you'd like a history of what has happened in estimates, we'll provide you with one, but at the moment—

**Hon. Ms. Pupatello:** I think it's fair to say that this government has been extremely accountable and open, and has certainly changed the rules to allow for accessibility by members of our own caucus and the other two caucuses as well. That has been the standard here at this estimates committee. I think it's important to put that on the record.

**Mr. Marchese:** Thank you, Madam Minister, I really would urge you to put the BlackBerry down and pay attention to the questions; I really do. I'm not sure what you're looking at, but I really think you should be

respectful of us. We're asking you questions. You're looking at your BlackBerry. You're not answering the questions, or you're not understanding them, and I find it offensive. Could you put the BlackBerry down?

**Hon. Ms. Papatello:** I am endeavouring to get you answers to some of your questions.

**Mr. Marchese:** You've got a deputy minister, and Ms. Naylor is here, who should—

**Hon. Ms. Papatello:** We can spend your 20 minutes giving me a lecture about behaviour at committee, but I don't think you've got quite the track record to be doing that. I'm happy to sit here, for the length of time it is, to answer whatever question you would like.

**Mr. Marchese:** You are here to answer questions from us and your Liberal members. That's your duty. You should remember that.

**Hon. Ms. Papatello:** I'm happy to do that, and I think you should put questions that allow me to answer the questions as well. I'm happy to do that.

**Mr. Marchese:** My questions are very clear, and you haven't answered one clearly.

**Hon. Ms. Papatello:** We have. In fact, we tabled answers to questions you tabled yesterday and gave it to you in writing this afternoon.

**Mr. Marchese:** So we will get answers to the questions you're not able to answer, and I'm very pleased. Do you think—

**Hon. Ms. Papatello:** We gave it to you by the next day. You did appreciate that? Did you?

**Mr. Marchese:** It's very nice. We're happy to get answers that you can reflect on, that your staff can reflect on, that you can all agree on, and it's nice to have it the next day, if we can't get it today.

1740

**The Chair:** One minute, Mr. Marchese.

**Mr. Marchese:** Do you think all boards should use their special-purpose grants, such as the ESL grant, to cover this systemic shortfall?

**Hon. Ms. Papatello:** I believe it's important to put on the record that all the school boards that watched very closely the negotiations happening with the teachers' federations that landed four-year contracts, something your own government never saw and the previous government never saw—those in fact also came with a 2% increase in funding from the government—

**Mr. Marchese:** Sorry; what's the answer to the question?

**Hon. Ms. Papatello:** There is no consistent or systematic—

**Mr. Marchese:** What do you think? What's your opinion about that?

**Hon. Ms. Papatello:** The only thing that is systematic is increases. That's the reality. They have received more money for salaries each year. The contract is 2%, 2%, 2.5%, 3%.

**Mr. Marchese:** Right, but my question is, should they use their special—

**Hon. Ms. Papatello:** I have to finish my answer.

**The Chair:** Mr. Marchese, you asked the minister her opinion, and I have to give her time to answer. You didn't ask a specific, factual question. You asked her opinion. So I'm going to give—

**Mr. Marchese:** Mr. Chair—

**The Chair:** Mr. Marchese, you're not even on the record at the moment. You can table it, you can read it, you can do what you want, but I'm going to let the minister finish the answer, and then I'm going to recognize Mr. Zimmer, because your time is just about up. Minister?

**Hon. Ms. Papatello:** There is no systematic growth of any gap, because when the four-year contracts were signed, the government in fact came forward and committed and has already delivered on increases just in the area of salaries, which quite frankly not only are the boards very happy with, but so are the federations. I think it's fair to say that for the first time we have peace and stability in our schools. Our parents love it, the kids love it, the teachers love it, the boards love it. I appreciate that you want to characterize things as extremely difficult, but the reality is that there is a tremendous amount of goodwill in education.

**The Chair:** Thank you, Minister. Mr. Zimmer, and then Mr. Ramal.

**Mr. Zimmer:** Minister, you just left Community and Social Services, and I expect that every minister, when they arrive in a new ministry, perhaps does a thought experiment and projects themselves ahead in time, maybe a year or two or three years or whatever, and probably thinks about what they would like to leave behind as a legacy when they leave the ministry or when their time in the ministry is behind them. As you start in this new ministry, picking up where Minister Kennedy left off, what would you like your legacy in the ministry to be, thinking ahead a couple of years?

**Hon. Ms. Papatello:** I haven't had the opportunity yet to do some long-term planning of my own, because the change was nothing I had expected or anticipated. I will tell you that in all my years of government, the things I was hoping to be able to impact in the education system, frankly, are around extracurricular activities affiliated with schools, and I probably get that from my own personal experience. While my parents may have expected a certain grade level to come home, frankly that wouldn't have been achieved without extracurricular activities. That speaks to the kind of relationships I expect to be engendered in the classroom and how teachers are made to feel: that we actually consider them to be professionals and that they would work in a professional capacity.

We don't have long to go in this term, but I would hope that, sometime in the future, we are going to get away from a discussion about minutes in a classroom with our professionals and move to constant, ongoing improvement and change, a discussion about quality of education where our teachers are totally engaged in a discussion about quality programming, setting standards around quality programming and being seen to be absolutely the best in the world on that front. But I know



that a great environment in our school system will mean that teachers who have been incredibly formative for me as I was growing up will always have the opportunity to do that for our children.

**Mr. Zimmer:** Mr. Chairman, can I ask a question of the deputy or just the minister?

**The Chair:** Absolutely.

**Mr. Zimmer:** Deputy, I understand you're relatively new in the ministry, so I'll ask you the same legacy question, projecting ahead to the time when you leave the ministry, be it in a year or two or three. From the administration of the education bureaucracy, what would you like your legacy to be?

**Mr. Levin:** I can say that actually I was not anticipating ever being in this job. In fact, when I was deputy minister in Manitoba, I once had a nightmare that I had been appointed deputy minister in Ontario.

**Hon. Ms. Papatello:** What year was that?

**Mr. Levin:** That would have been around 2000 or 2001.

I came to the job because, when I met with the former minister and the Premier and they talked about what they wanted to do in education in Ontario, their program fit so well with my own beliefs about what needed to be done in public education. I felt that when they thought I could be helpful, it would be very hard to say no to that.

My goals are pretty straightforward and, I think, very consistent with the government's goals, which I imagine is why I'm in the job. They have to do with improving student outcomes across the province. Although I think we have much to be proud of in public education, there is still lots of room for improvement; we still have too many kids who are not doing well enough, who are not graduating, who are in special education and not benefiting from that and so on—to improve the broad range of outcomes, not just narrowly in terms of academic achievement but more broadly in terms of citizenship and engagement in the school and in the community; to reduce the inequities in achievement, so that there is less inequity in our system than there has been and the gaps are smaller between the top and the bottom of the achievement range; and to increase public confidence in public education, so that people of the province believe that the \$17 billion they are investing in public education is money well spent.

**Mr. Zimmer:** From more of an administrative point of view rather than a political point of view, what do you say the two or three biggest challenges are within the education bureaucracy, broadly speaking? And I don't use the term "bureaucracy" in any pejorative sense.

**Mr. Levin:** We refer to ourselves as bureaucrats also; I think that's safe.

One would like to move the ministry so it is more sensitive to the needs of the system, so that we are not just in the business of dumping stuff onto the schools but actually working very actively with the boards and schools so that they can do the things we are asking them to do, which means more coherence, more consistency and greater alignment across our range of policy meas-

ures; and secondly, to improve the extent to which we pay attention to implementation, so it isn't just announcing a policy, but then what that actually means. Does it actually come into effect, does it work and does it benefit students? The third, on the communication side, is to do the work of ensuring that intentions are broadly understood among educators and among the public, because we only get to do what the public is willing to let us do. So we have to be cognizant all the time of whether we are doing a good job of communicating our strengths and weaknesses and challenges to parents, citizens and educators.

**Mr. Zimmer:** My last question, just following up on those ambitions: What do you see as the two or three largest challenges in terms of getting the material resources to effect those changes or to leave that legacy?

**Mr. Levin:** I don't think our main challenges are material resource challenges. I think our main challenges have to do with what I sometimes refer to as will and skill; that is, people's desire to do what needs to be done, and then their capacity. Sometimes people have good will, but they don't quite understand how to do the things they want to do. That's a capacity issue within the ministry: Do people have the skills required? Sometimes it's understanding; people have had quite narrow jobs and we're asking them to think more broadly about what we're trying to do overall as a ministry and to see their work in the context of the larger strategic framework of the ministry as a whole and the government's objectives in education. But I don't personally feel that our main challenges are around resource levels. I think we're adequately resourced.

**Mr. Zimmer:** So it's the old story of a cultural shift or paradigm shift in thinking about education.

**Mr. Levin:** I do want to say that I think I am very fortunate to work with some fantastic people in the ministry. I'm very, very proud of my senior management team, and I'm very proud of the ministry as a whole. We have a lot of people who work very hard and care very deeply about education.

**The Chair:** Thank you very much, Deputy.

Mr. Ramal.

1750

**Mr. Khalil Ramal (London-Fanshawe):** Thank you, Mr. Chair. A question for the minister: In our semi-annual meeting with the Thames Valley board last Friday, they told us that they achieved 75% of class size. I wonder if that percentage exists only in London or across the province of Ontario. They've achieved the 75%, which goes alongside our target for this year. So can you tell us, is that just in London—

**Hon. Ms. Papatello:** Where we're at right now in looking at the number of primary classes that are achieving the goal that we've set, which is 20 students or less, is we are now at 48% of those classes being within the right range; that is up from 30% when we started a couple of years ago. Of course, I think it's fair to say that in our first year of government we had to sort out a lot of the capital issues, teacher issues, the length of time it



takes to hire teachers, etc. Now we are well on our way. What became very clear in tabling the budget at the end of March was that there will be more money available, both in capital and in operating, to continue to move forward on the primary class size initiative.

There are several boards in Ontario that are actually doing quite well. The Dufferin-Peel Catholic board is one of those boards. It is actually meeting, and in that case exceeding, the target of the numbers, where the caps are even smaller—they're well below the cap. So we're very pleased to see that some have aggressively gone after this. Others have struggled because there are capacity issues in boards that are very difficult to contend with, and recognizing those problems—an area like the Thames board, where you come from, has a mix of urban and rural within the same board boundaries, which makes capacity issues very difficult to resolve. I know that the previous minister had significant discussion around this issue, but capital is important in trying to meet our goal. So we have to find a way to solve those problems, and that is something that we're prepared to work with. But we're very happy to see in particular the progress the board in your region is making.

**Mr. Ramal:** Another question: I was listening to Mr. Marchese talking as if our ministry and our government are pressuring the boards across the province of Ontario to meet this target without equipping them with the financial tools and teachers. What can you say to that?

**Hon. Ms. Papatello:** I find it interesting. What any member who comes from a previous government is probably having a hard time contending with is that we're not about just throwing the money out the door, although we've certainly done that, to the tune of \$2 billion into the education system for elementary and secondary. But what's really important is that this Premier is intending to get results, and the results are very specific. We were very clear about what those results were that we were looking for, and we said that in our 2003 platform document: We need the dropout rates to fall; we need the primary class sizes to fall; we need literacy and numeracy test results to increase. Those are very specific. If we stopped any parent on the street today and said, "I want you to see"—in fact, you and I did that in the last election. We said, "These are the goals that we're setting for ourselves in education," and they are wildly behind these initiatives. But frankly, governments historically have not done that; they've been about the money only.

We're not prepared to do that, because this Premier intends to have a qualitative discussion with parents about how much better the system is for their child. It's not just about, "Are you in the fanciest school, the biggest school, the best-looking school?" It's about, "How's your kid doing in school?" Because in the end that's what matters in terms of end results for that child: Will that child reach his or her potential? If a child has the potential to reach a B level, is your child getting to the B? That's the question that parents need to ask and the school system needs to have the answer for. Those questions haven't been asked in the past, not by the

Ontario government. I will say, though, that there are boards across Ontario that have had excellence on their minds for many, many years, and they've not been supported sufficiently.

In fact, we just came through an era of the last government that turned education on its ear, and in so doing was simply about the money. What they did was remove \$2 billion out of the system, even though you saw an increase in the number of students overall. Now we're in a different place. We have an overall decrease in the number of students enrolled in Ontario, but we have had a dramatic increase in the level of funding, recognizing that if you want excellence, you need to be able to support that with the right level of resources. What we now are working with in a new relationship with boards and with federations is making sure our resources get to the right place to achieve the results that we're looking for. Trustees that I've met and spoken with so far, teachers and parents seem quite happy that we're on the road to success.

**Mr. Ramal:** Thank you, Minister.

**Mr. Wilkinson:** How much time do we have, Mr. Chair?

**The Chair:** You've got about five to six minutes.

**Mr. Wilkinson:** That's great, because I actually like listening to the minister's answers. I want to make sure you have enough time to respond.

I want to first of all congratulate you. Just for the benefit of the committee, I was at an event for the Ontario Catholic School Trustees' Association last week. Minister, you had spoken at lunch. I didn't hear your remarks, but I can tell you that whatever you said was well received, because I was there later on in the day and they were very happy that you were able to find time in your new and very busy schedule to go and see them.

Just following up on some questions about grades 7 and 8 and high school, I just want to let you know that in my riding of Perth-Middlesex, and particularly with the Avon Maitland public board, there was a great debate that raged about whether or not grades 7 and 8 should be in high schools where we are in rural Ontario, with declining enrolment. I think the board did a very good job of consulting with people. That experiment, from what I hear from my constituents, has been successful because grades 7 and 8 are segregated from the high school population, but all of the resources from a high school are available to those children. So I think they're getting a higher-quality education. The parents are relieved that that segregation assumes that you don't have a bunch of 12-year-olds hanging out with a bunch of 18-year-olds, which, as a father, I agree with heartily. I invite you to come, if you would like to see on the ground a place where that is happening right now, and talk to those students, teachers and the school board. You'd be more than welcome in my hometown.

I'd like to ask specifically, though—and this is a burning issue in rural Ontario. I represent a rural riding, and it's really the kind of question asked by my constituents: "There's this new minister from Windsor. What is her commitment to rural education?" I know your pre-

decessor was very clear about the vision that he saw, that rural schools were vital to our rural communities and that schools form the heart of many of those communities. I'd just like to ask you, as you come to this job, what is your perception of rural publicly funded education?

**Hon. Ms. Pupatello:** I appreciate the question because I think it's important to put on the record, as has the Premier, that rural Ontario is important to us economically, to the citizenship of the rest of the province, and that we benefit by having a strong and vibrant rural Ontario. The hub of that in most rural communities is the school. A school has to be viewed as not just a function of education but where a lot of community activity exists, surrounds, and frankly happens because the school is there. That's why there's an awful lot that needs to go into decision-making about expansion, rebuild, move or closure, which we've seen an awful lot of over the years. We have to line that up with some significant issues that rural Ontario is facing across the board, not just with our kids but overall, such as declining populations. So infrastructure in small towns, not just for schools but in many, many other discussions, is a significant issue, with people moving away from small-town Ontario towards a job that they perceive to be affiliated in an urban community.

I believe we have had in the last two and a half years a significant investment in rural Ontario, and a large part of that has been through education, where we have said very clearly that the whole community needs to come to the table, not just education, because that school is not just about education; it's about everything else. The best example is likely our community use of schools, where we've actually made the schools more affordable for local groups to come in and access that school property and have the board not penalized financially because of that. I think we had some \$20 million going into community use of schools. It has been a tremendous success.

In my short tenure as a new minister, I have now met with four or five separate groups in rural Ontario around schools and their school issues as they relate to capital. I'm looking forward to taking that challenge on and hope that, with your help, we're going to resolve some of that.

**The Chair:** Thank you very much, Minister.

Just to inform the committee, we have four hours and 48 minutes remaining to complete these estimates for the Ministry of Education. This committee now stands adjourned until following routine proceedings on Tuesday, May 2, in room 151.

*The committee adjourned at 1759.*

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**Standing committee on  
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Ministry of Education

**Comité permanent des  
budgets des dépenses**

Ministère de l'Éducation

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*The committee met at 1622 in room 151.*

## MINISTRY OF EDUCATION

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates. We have approximately four hours and 48 minutes to complete.

Before I begin, I want to introduce, as well as recognize, a special guest we have joining us today. He is Mr. Anthony Appiah-Yeboah and he is the deputy editor of debates visiting us from the Parliament of Ghana. We're delighted that he's joining us. He is in Ontario for a couple of weeks to observe the Hansard operations of this Legislature, and in addition to watching the proceedings in the House, we are delighted that he has demonstrated such courage as to sit in and make notes on our conduct at estimates. I admire him for taking on such a challenge. Thank you.

**Mr. David Zimmer (Willowdale):** That was very subtle, Mr. Chair.

**The Chair:** Well, in order for all of the committee to enforce the fact that we are on our best behaviour, we're going to use the House rules today. That means that all questions will have to go through the Chair, and no microphone will go on until the Chair recognizes the individual. So as long as we're comfortable with that, that will be a great assistance to electronic Hansard, so that we do not have gaps in our proceedings. It certainly is appreciated by those who are watching us on television, who are sitting there riveted by the debate and not wanting to miss a single word.

Now, before I begin, Minister, where's your deputy?

**Hon. Sandra Pupatello (Minister of Education, minister responsible for women's issues):** My deputy is away today. He's actually out of the province.

**The Chair:** Oh. Do you think maybe in future you could tell us of that?

**Hon. Ms. Pupatello:** Sure. But I have to tell you that the minister is here to answer your questions, and if there are questions that I can't answer, I'm happy to provide them to you.

**The Chair:** It was simply a courtesy. That's why I was asking you. But if that's difficult, then we can proceed.

Could you identify how many staff you have assisting you today from your ministry?

**Hon. Ms. Pupatello:** Nancy Naylor is here, an ADM whom you met the other day, sitting to my right.

And just on this, it might be an appropriate time—

**The Chair:** It's just a simple question. You just have one civil servant from the ministry in the room today. Thank you.

Minister, do you have answers to any of the outstanding questions?

**Hon. Ms. Pupatello:** Yes. In particular, a question was asked of me in the House today that I think you may like to know about as you schedule the balance of the hours—

**The Chair:** These are responses in writing? Do you have any of them in writing, Minister?

**Hon. Ms. Pupatello:** No. I will give them to you verbally, though, if you'd like. I think one of your members would like the answer. We've got individuals who have scheduled vacation and who are away through the days that land on these committee meetings, so if there are others that you would like in the various sub-groups of the ministry, we're happy to take that list from you. The request that came of the College of Teachers, it's actually—

**The Chair:** Thank you, Minister. I didn't want you to ramble. I simply wanted you to answer the question regarding if you had the written responses. Your answer is very clear: You don't have them. Let the record show the minister does not have the written responses to the questions from the committee.

Now I'm going to seek the input from the—the rotation will begin with Mr. Klees. You have a 40- to 45-minute cycle, and we can commence with your questioning now. Then I will recognize the third party.

**Mr. Frank Klees (Oak Ridges):** Chair, before we do that, I'd like to clarify a matter that the minister raised. I would like to get confirmation on the record here relating to the College of Teachers and the request that I made to have specific individuals attending here. Can you confirm for me who will be here and at what time, representing the College of Teachers?

**The Chair:** Yes, Mr. Klees, I can confirm that Mr. Douglas Wilson, who is the registrar and chief executive officer of the Ontario College of Teachers will be here starting at 5 o'clock, and he is available for that full hour if needed. The second person is Marilyn Laframboise, who is chair of the council. Both have confirmed for tomorrow in room 228.

**Mr. Klees:** I had also requested the chair of the advisory council on special education. Can you confirm if he will be in attendance and, if so, at what time?



**The Chair:** We have been advised that although there is a vacancy for the chair—Lynn Ziraldo is no longer the chair of the advisory council on special education—we are seeking to find out whether or not the vice-chair might be available. With the education accountability office, Dr. Charles Pascal, who is the executive director, is out of the province these two days. We are in the process of contacting the vice-chair, Jerry Ponikvar, from Burlington.

**Mr. Klees:** Chair, we're running out of time here.

**The Chair:** Well, Mr. Klees, let me just say this: They are not impelled here. This committee does not have Statutory Powers Procedure Act authority in the sense that we can subpoena people; we can ask them, and there is an effort. If this committee spills over to next Tuesday, which it might do because of various circumstances—nobody's fault; it's just that we won't complete these estimates by tomorrow night, given our current calendar. So we will endeavour to try to get them here, but we can't force Dr. Pascal to fly back from out west.

**Mr. Klees:** No, and I don't think that's the intention either, Chair. The intention is that we have someone from his organization here who can respond to questions. If he's not available, I would have thought that we would immediately default to the next in line so that at least someone from the organization would be here to answer our questions. The fact that that isn't happening indicates to me that the government is suggesting that they would prefer not to have someone here. We're certainly not being very diligent in ensuring that we have a representative available to question in this committee. However, that too is for the record.

I'd like to address the minister. Minister, the Premier made a statement today on Education Week. In his statement, he referred to the fact that every Ontarian should have an opportunity to succeed. I responded to his statement and expressed my hope that the Premier's definition of every Ontarian would, in fact, include every Ontarian, every Ontario student. I specifically made reference to whether his definition of every Ontarian included students who attend independent schools and faith-based schools. I also referred to autistic children as falling, hopefully, into that definition. I would like to follow that discussion up with you.

1630

At the beginning of these hearings, I asked you a specific question. It related to whether or not you consider yourself the Minister of Education for all children in the province. You assured me, through your several ways of responding to that, that that was in fact the case. In fact, you referred to your platform—the Liberal platform in the last election—as having an entitlement on education: "Excellence for all," as you quoted. By responding to my question in that way, I think we can all assume that "excellence for all" means that. Can you tell me, then, and confirm for me whether the definition of "all," to you, includes autistic children, and if it's your intention as Minister of Education to ensure that autistic children in this province have the same and equal opportunity for an education as any other child?

**Hon. Ms. Papatello:** I appreciate the question. I think my Premier was right in his answer, but moreover in his statement today in the House in addressing Education Week.

We intend to make all people of Ontario extremely proud of our public education system. I made no bones about the fact that we did change the policy that you brought in, where you extended tax credits, for example, to private schools. We believe that our first priority must be to our public education system and we're confident that we are moving in that direction. We're mid-term. We have set goals for ourselves that finally talk about quality in education. But please make no mistake; we intend to make our public education system, bar none, the best in this nation, if not beyond, and we believe we're moving in that direction.

You mentioned autism. Let me address more generally—in special education, this member probably knows that I have had a significant amount of time in dealing with the adult system through my last portfolio, where I worked very diligently to try to leave a mark, if you will, on the system, to make it fairer for everyone. People with intellectual disabilities have every right, in my view, to move forward and reach their potential. Our focus certainly was on the adult system, and I was always keenly aware of how the system for children has to line up so that there's a smooth transition for people as they move into the adult system.

In the area of autism, it is so broad and so diverse that I can't profess, in this third week of being named minister, to know all the particulars of how the education system has responded to this issue. But I can tell you, and give you my commitment, that I intend to do my very best to have our education system respond very well to all children who have special needs.

I have a particular interest in this area, and I intend to work diligently, along with the task force that was set, that met and is preparing a report on special education for me, to see the kinds of policies and how they need to be addressed in relation to grants that are coming out for the 2006-07 year. The best predictor of future behaviour is likely past behaviour. For me, it will be a significant interest in this area as it relates to education.

**Mr. Klees:** Minister, I have a series of questions here that I'd like to put to you. If you don't have an answer now, I'd appreciate a written response.

First, how many teachers and EAs have been trained in ABA over the last two years?

**Hon. Ms. Papatello:** I will find that information out for you. I can tell you that the investment into the system has been fairly significant. I think this member will recognize the kinds of backlogs that we faced as a government, that in fact your government faced as well. It was quite unfortunate to watch the number of times this issue was brought forward to the previous government. While it is a difficult issue—and I acknowledge how difficult it is for all governments; every government has a history they wish they had done more with—I will tell you that in terms of investment related to additional

assessments, in terms of teacher training, bar none, we have not seen this kind of investment in our system in many years.

**The Chair:** But you don't have the number.

**Hon. Ms. Papatello:** I have said from the beginning, Chair, that I'm very happy to get a very specific number for this member.

**The Chair:** Thank you. So that question is noted.

**Mr. Klees:** In addition to that, I would also appreciate having the specific number in terms of the funding that was specifically allocated to the hiring of those teachers and EAs.

**The Chair:** That is within the larger envelope?

**Mr. Klees:** That's right.

**The Chair:** So you want the funding envelope broken down into its component parts?

**Mr. Klees:** That is correct.

My second question flowing from that is: Minister, you'll know that school board autism teams are short-staffed and waiting lists are long. Every one of us deals with that in our constituency offices every day. Why is the ministry preventing the better-trained autism consultants from working directly with children with autism?

**Hon. Ms. Papatello:** Again, I will try to get you more specifics about that question, but I will tell you that, as this member knows, we have been handed a system that had significant backlog. What did happen in education through the Conservative government years was a wholesale reassessment of every child in the system, which took a tremendous amount of time and effort. No one is really certain that that exercise was worthwhile, because it became even more frustrating for parents, for teachers, for principals to actually land on having what was identified through this method—

**The Chair:** Minister, you don't have the answer to the question, do you?

**Hon. Ms. Papatello:** I'm answering the question now.

**The Chair:** No, you're not. I'm sorry, Minister, you're not answering the question. Your next question, Mr. Klees.

**Mr. Klees:** Minister, does the government recognize ABA as the most effective evidence-based method for teaching children with autism?

**Hon. Ms. Papatello:** I think the jury is still out on a number of areas in special education training. I have said, as I said at the last estimates committee, that I believe the ministry does need to have a role to play in setting the bar for what is excellence in education for all students for a number of various issues that we contend with in the classroom. It would be nice to know that the ministry could play that pivotal role of suggesting that we will find the world standard and that will be implemented in our system—

**The Chair:** Thank you, Minister. Next question, Mr. Klees.

**Mr. Klees:** I draw the conclusion from that, then, that the ministry has not embraced ABA as an effective method for teaching children with autism and that you continue to search for an effective method. Is that right?

**Hon. Ms. Papatello:** I can tell you that, in my experiences in my previous ministry, for example, having had so much to do with adult autism, what I became very aware of was the level of research that is required and is happening in some of our own Ontario institutions as it relates to best practices for kids and adults with autism.

I am not in a position now to tell you the details. As I mentioned earlier, the special education task force is meeting and is providing me with a report. It does have very much to do with how we flow our investments into the system to do the very best for our children. If there's more information that I'll be able to supply to you in the future, I'll be happy to do that.

**Mr. Klees:** In the meantime, while the ministry is carrying on this research to which you are referring, what is your recommendation to parents of autistic children whose children need some form of education? ABA is available. The ministry has already recognized it to some degree. They are implementing what is referred to by the ministry as principles of ABA and IBI. What's your recommendation to parents who have no place to send their children within the school system today?

**Hon. Ms. Papatello:** I will tell you that we have a lot more to say to parents than parents would have heard from the government for the eight years that your government was in office, frankly. I believe that your government looked at education and moved from a crisis to crisis kind of management. We have been very diligent about trying to come to an answer for parents that is accessible, that is doable and that addresses issues in the system like having individuals who are trained and ready in the system to deliver the kind of resources that these children need.

1640

As you might want to recognize, and perhaps you will in your next statement, we have had to come forward with a plan that delivers right across the spectrum in terms of care. We have had to look at the number of our professionals who have to be trained to deliver services. We have come across with chairs, for example, in the university setting to encourage students to come in and be trained in this area to deliver the services.

It was quite frustrating, frankly, to have been left with a system, which was your government's system, that if we had every dollar in the world available, we would not have the personnel in the field who could deliver the services, because no one in your government had taken a fulsome approach to how we were going to resolve this. So yes, we were starting from scratch in many, many ways. But I will tell you, from an investment perspective, we have had an historic investment in this area. I know that while it takes time to train people, it takes time to make changes to the system, we are well on our way to a better system. I hope this member will appreciate that.

**Mr. Klees:** What I don't appreciate is, when I ask a specific question to the minister about what her advice is to parents of autistic children today, we get the partisan rhetoric about the previous government. Your government, Minister, has now been in place for two and half



years. You are now the second Minister of Education. It is of no use to either autistic children or their parents for you to ramble on with a partisan speech about the previous government.

I want to remind you that it was your leader and the current Premier who, in the election campaign, wrote the following, and I'll read this into the record: "I also believe that the lack of government-funded IBI treatment for autistic children over six is unfair and discriminatory. The Ontario Liberals support extending autism treatment beyond the age of six." It has been two and half years, Minister, and you continue to reach back to the previous government to justify what you haven't done.

I'm going to simply ask this question: When will you do what your leader, the current Premier, promised to do for autistic children and their parents?

**Hon. Ms. Papatello:** I think it is important to look back to see where we started in 2003. Unfortunately, that does give you quite a bit of the responsibility of where we were in the education system. Because when you're starting from ground zero or starting behind by billions of dollars cut out of the education system, it does matter how quickly we're in a position to implement the many, many things that we would dearly love to implement right away. I'll use the NDP as an example. When you cut spaces to medical school and it takes 10 years to grow a doctor, you can't undo that kind of decision-making that was part of our history; you need to acknowledge that it was a problem and realize it takes many more years to fix it.

Likewise, in this area, it does matter that we didn't have enough students graduating who would be trained to deliver autism services in our schools, even in the community at large. We certainly see that the requirements now, so that families who are given money through special service at home, for example, 70% of which goes to children—even if they could buy the service because the money is there, they can't find the professionals in a position to offer the service. That does land on the lap of the history of how we came to be here. We just don't have that number of students out there because we need something that draws them in. We have to have a government that's prepared to address wage gaps in that sector so that these people want to work in that field—another thing that your government never chose to address and has landed in our lap.

So yes, it's important to talk about where we came from, and in particular in the area of special education. As I said, if we had every cent of the millions of dollars required to do everything we wanted in education right now, we could not find the specialists trained to do the things that we want them to do today.

For example, while we have poured millions into more assessments, we have a limited pool of psychologists who can actually deliver the assessments, so that we're constantly struggling with this backlog of, "How many can we get done and how quickly can we get it done?" It does matter that we didn't have a constant and gradual improvement in this area, and yes, that does land on your

feet. But I will tell you, I believe that you are sincere in wanting us to improve the system, so I would hope that at some point in this proceeding you would acknowledge significant investments that have gone in, not just in one place, not just for the photo op, but into the university system for a chair, to deliver more students to want to be trained in this area, into the assessment area so that we can move these kids through that assessment process, and yes, into the training of teachers, current teachers, and yes, into the actual services being delivered to them in the classroom. It has been unprecedented.

**The Chair:** Thank you Minister. Mr. Klees, you have the floor.

**Mr. Klees:** Those parents are observing you and listening to you, and I'm sure they're not impressed, Minister.

I would like you, if you would—probably as much for your information as the public's and ours, for the work that we're doing in this committee, because you continue to refer to the last government—to provide this committee with a timeline summary of when funding began for autism in the school system in Ontario, the year. I would like, over the last number of years, and let's go back to 1995, since you continue to refer to the previous government, so that we can see the flow of funds into autism in this province through the school system, the amounts of funding that were put into the system over that period of time, up to the current date. I look forward to receiving that information.

I'd like to move on and I'd like to read into the record from an e-mail that was sent to your attention. It was dated May 2, from Anna Germain, who is with us in the hearing today. She is here with her son. Minister, you may well have read this. She refers to her comments. She has attached a letter. With the parent's consent, I'm going to pass this on to you and table it with the committee members as well. She says in part the following:

"I am attaching a letter as some evidence of the lack of positive change and consistent refusal by some school boards to secure a good future for students who have a developmental disability, particularly Down syndrome." She goes on to refer to the fact that she observed the student referred to in the attached letter last week for a whole afternoon: "I found that staff had said anything just to segregate her. None of their claims were observable. There was no evidence of a program in place for this student and no adequate support. She was receiving no appropriate accommodations and her best interests were definitely not being served. This goes against her rights to a quality education, as well as against her rights as outlined in the human rights commission's guidelines on accessible education. She is still basically just 'dumped' in the classroom and not even in the grade she belongs in. Nobody at the board seems to care."

Minister, what is your response to this? Perhaps you can keep yourself back from blaming this on the previous government. What is your advice to the parent of this child? What do you have to say to Anna Germain?

**Hon. Ms. Papatello:** In fairness, I think you have an obligation to supply me with correspondence in advance



if you would like me to properly address this. In fact, I have not seen this letter. I don't have a copy of the letter. I think you should just be fair and provide that to me.

I'm happy to address this issue because, as I said earlier, I think it's incumbent upon us to acknowledge what role we've all played to see where we are today and why we got to where we are today. You can't just talk about the money in special education, but if you were to, you would see a massive 20% increase in funding just in the area of special education. You are asking for some specific numbers. Even if we go back to 1995, when your government was in office, the monies did not flow to school boards with specifics to autism versus other types of spec-ed funding, so it's going to be tough to prove what you did, what you didn't do. I recognize that. We have to talk about special ed overall. But in terms of how we've moved forward and what we are trying to change, there are serious policy questions in place where I believe that the ministry does have a role to work with our boards and how the services get delivered out there in our schools. Does the ministry play that role at this point? I think only to a limited degree. I believe we should play more of that role. So it's hard to stand here now at estimates and answer for boards' behaviour on these specific incidents.

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**The Chair:** Thank you, Minister. Mr. Klees.

**Mr. Klees:** I do look forward to receiving your—

*Interjection.*

**The Chair:** No, Minister, you have said that you had difficulty in not having the letter. We're going to get you the letter. And you have difficulty responding to boards, so we'll move on. Thank you.

**Mr. Klees:** I will move on to another matter that was raised in the Legislature today. I addressed it in my statement in response to the Premier. Again, as Minister of Education, I'm hoping that you'll take a different view of your role in this province from your predecessor, who, quite frankly, held in disdain any parent who would have their student in an independent or faith-based school or teachers or staff who worked there. I would hope that you will embrace the education system in the province fully, as a minister should and I believe has a responsibility to.

I want to address the issue of faith-based education. A number of petitions have been read into the record over the last month or so relating to faith-based education, and I wonder, Minister, have you had an opportunity to read that petition? Have your ministry staff brought it to your attention?

**Hon. Ms. Papatello:** It would depend when those petitions were tabled as to who would respond in kind to that petition, but I don't believe that I have—I haven't heard them nor have I received a copy of them.

**Mr. Klees:** There have been literally thousands of signatures submitted through the petition process relating to that petition. I wonder if I might, just for the record, know if anyone in your ministry is aware of it; for example, your deputy or assistant deputy. Is there any consciousness on the part of the ministry that these

thousands of Ontarians are petitioning you as minister on this issue?

**Hon. Ms. Papatello:** Perhaps you could take the time to share with us what your concerns are in regard to the private system.

**Mr. Klees:** No, that's not my role, Minister. I am asking you and I'm asking your staff—perhaps you could let her respond—if she is aware of this petition and specifically what the request of the government is through the petition.

**The Chair:** Ms Naylor, are you in a position to respond?

**Ms. Nancy Naylor:** I have to say I haven't seen—we see a lot of petitions. We get several every month. I'm sorry, I haven't seen one recently. We have dealt with petitions in the past from private schools or independent schools.

**The Chair:** Thank you, Ms Naylor.

**Mr. Klees:** I would ask if any of the other staff who are present with the minister have any knowledge of this specific petition that relates to faith-based schools, anyone who is here with you, Minister. Can someone indicate whether they have knowledge of this petition?

**The Chair:** Minister, I think we're asking if any of your political staff in the room would be aware of this. We've established that you only have one of your public servants in the room.

**Hon. Ms. Papatello:** No, I'm not, but I'd be happy if you would like to table the content or the discussion, if that makes it easier for you to do any follow-up questions. I certainly have my own views on the matter that I'd be happy to share with you.

**Mr. Klees:** Minister, I find it bizarre—I guess that's the kindest word that I could give it without being unparliamentary—that after literally thousands of names being submitted, the petitions having been read out numerous times in the House, that neither you nor Ms. Naylor nor any of your political staff would have any idea of what's going on relating to this issue. However, that tells us a great deal.

I'd like to pursue a number of specific questions with you, and if you don't have the answers, perhaps you could undertake to get back to the committee in writing.

My first question is as follows: The Ontario government already fully funds 93% of faith-based schools in Ontario, but the remaining 7% receive no funding simply because they are not Catholic. The United Nations human rights committee ruled in 1999 and again in 2005 that this arrangement is discriminatory and violates basic international human rights law that Ontario formally agreed to uphold. The Supreme Court of Canada has ruled that Ontario has the constitutional power to provide funding to non-Catholic faith-based schools. How can your government justify this discrimination and not immediately act to provide equitable treatment for non-Catholic faith-based schools?

**Hon. Ms. Papatello:** I think the best defence, if you will, as you might like to say, will be a letter that I will find and table for you in writing. The letter was written

by then-Minister of Education Janet Ecker, who submitted her response to her position in this regard. I will endeavour to get you that letter because it makes the best case, which of course we used in the House in opposition, this member might remember, as to why Ontario is different and our history in Ontario is quite different.

But it will be very plain to most people where my party, my government, sits. It was the case in opposition, the case during the election campaign and the case now as government that we support public education. That is our priority. I believe we need to get that right. I believe there is a significant amount of education going on in Ontario. I applaud them for the work they do with their commitment, whether it be to religious schools or whatever type of private schools there are. But in the meantime, we've made it abundantly clear, repeatedly, that our priority is public education.

While I realize that you and I don't agree on this, I have respect for people who work in that system. The teachers have representatives, for example, on the College of Teachers. They follow an Ontario curriculum; that's a requirement. So there are innumerable ways that they are encompassed in the work we do to develop curriculum that is then used by this system of private education.

We've been very clear. I am a big supporter of public education. I believe the public needs confidence that the lion's share of their investment that goes into education through our government is well-serving to the public, and that's through excellence in public education.

**Mr. Klees:** I'm a huge supporter of the public education system as well, Minister. But I'd like to put this question to you. All other Canadian provinces except the Atlantic provinces fund faith-based schools and have thriving public school systems, yet your government continues to play politics with this issue and continually suggests and implies, based on no evidence, that eliminating religious discrimination in school funding will harm the public education system. How is it that Ontario can't do like other jurisdictions, like Quebec, BC and Alberta, that all have thriving public education systems and at the same time provide fair funding for all faith-based schools? How do you justify that?

**Hon. Ms. Papatello:** I believe that Ontario has a very strong history in public education. For a little while, I believe we had a government that was not a big supporter of public education but instead chose to tear it down and to create quite a bit of crisis in the system. You and I both sat in the House during those turbulent years. That's not where we are today. We are intent on creating a very stable, confident public education system where all the children do matter. We believe that a public system can respond to what every child brings into the classroom with him or her.

Again, I personally have private schools in my own riding. Some of them do very fine work. I have a respect for them. I will tell you, though, I have been very clear provincially, now as minister, that our priority is the public education system. I respect that you and I will dis-

agree on this point. It simply isn't our priority to be moving in that area. We need to fix public education, where the lion's share of our children are, where tens of millions of dollars of public investment is made. We need to get that to a place where people have significant confidence in our system.

**1700**

I know that for you, this isn't an opinion you agree with you, but in the end you do have to make choices as a government. You make a choice about priority areas, and that priority area, then, follows where your funding will go. Again, if we have a limited amount of money, which we do—we're not nearly as flush as the federal government, thanks to the Liberal government leaving it in such good supply; you weren't as kind to us when we became the government in 2003—we have to make choices about where we invest our money, and we've been very clear about choosing the public education system.

**Mr. Klees:** Minister, I'm going to read a quote to you: "My father worked at a lumber mill, and he worked hard and long to raise his six children. He served his country well and loved it—a lot more uncritically than I do. You know about what his salary was. But he worked extra hard and long and to pay our fees through an independent alternative high school. We helped him all we could—knowing full well that he was in a sense paying double taxes for our schooling—that he was a second-class citizen not permitted by law to direct his [education] taxes to the school of his choice.

"I would ask only that you consider the four reasons for relevance, which I have given: Alternative schools exist. They have a right to exist. They serve important needs. They are a precious natural resource. And their right to public support should be recognized. In a free and just society the rights of all are diminished, if the rights of anyone are infringed."

Can you tell us who spoke those words?

**Hon. Ms. Papatello:** No, I can't, but I'll wait for you to share that with me. Or perhaps you'd like to share the letters with me as well.

**Mr. Klees:** I'd be happy to do that. It was the late Dalton J. McGuinty, Ph.D., in his written submission to the commission on private schools in Ontario in 1984. Mr. McGuinty served as the Ottawa South MPP until he passed away in 1990. He was the father of 10 children, including the current Premier of Ontario. It's interesting that those principles that were discussed and obviously held dear by the late Dalton J. McGuinty have somehow grown faint with your government.

I want to move on to my next question. Ontario formally agreed in writing to uphold rulings of the United Nations human rights committee under the International Covenant on Civil and Political Rights. These rulings are binding under international law. How can Ontario now simply ignore such rulings?

**Hon. Ms. Papatello:** I would need far more detail than that, but if you're happy to submit that, I will get you an answer as well.



**Mr. Klees:** The current government has a large surplus of funds, as demonstrated by the recent budget. Why were none of these monies provided to the 2% of Ontario children who attend non-Catholic faith-based schools, who continue to be discriminated against by this government? Their parents pay full education taxes, so the money is there for those children.

**Hon. Ms. Papatello:** I'm not certain if this member has thought through the logic that he's presenting to me, that families, for example, would be double-taxed, if you will, as he put it earlier; that in fact they pay taxes, therefore they're paying for the system and yet they have to go and pay as well. If you follow through with this kind of logic, it would stand to reason that every individual who is a taxpayer in Ontario but doesn't have children in the system—doesn't have children, in fact—shouldn't be paying for the education system in Ontario. That makes no sense. I think all of us agree as taxpayers that what we're investing in in our tax system, to be distributed by governments—I think the Boston Tea Party taught us that that is what's going to happen with taxation—is for the good of society. That's what our commitment is as taxpayers.

Likewise, I have to say that if you use that logic, then only those who access health services are the ones who ought to pay taxes that fund our health services. That's not how we operate. We believe that all of us should pay taxes, that all of us should invest in our government. Our government, when given the privilege to govern, makes the choices for public systems that are available to everyone. In the area of education in particular, people were able to ask in the last election, did they want a government that believed in public education or one that would further the private tax credit? We have to say that they did select the government that would—in a very fulsome way, they outlined a plan in terms of implementation of education platform, which we're now halfway through doing. The results—

**The Chair:** Thank you, Minister.

**Mr. Klees:** Minister, let me leave this thought with you: Everyone in the province of Ontario pays taxes, those who are at the threshold of income to do so. We all pay education taxes. The double taxation that I was referring to and that Mr. McGuinty was referring to in his submission was simply that additional fee that those parents who choose to send their children to faith-based or independent schools are paying in addition to the taxes they're paying to support the public education system. That's the point that I was trying to make. Perhaps you can give it some thought.

I'd like to—

**Hon. Ms. Papatello:** Do you want me to respond to that?

**Mr. Klees:** No, I don't want you to respond to it; I'd like you to think about it.

I'd like to move on to another issue, and that is the issue of double-dipping by retired teachers in this province.

I have had many communications, e-mails and telephone calls from young teachers who have graduated,

who are attempting to make their way as teachers within our public education system and who are consistently bumped by retired teachers, who have come back into the system and are now teaching part-time. In addition to receiving their very comfortable pensions, they are now also being paid as part-time teachers.

What is unfair about this, from the perspective of young teachers who want a career in teaching, is that they don't have a permanent position or the advantage of longer-term teaching positions because of this double-dipping.

I'd like your response, and let me put it this way: Could you provide the committee with the number of part-time teachers in this province, by board, who are retired teachers and have come back into the system to teach part-time? Could you do that?

**Hon. Ms. Papatello:** I'm not certain whether we can. It will depend on how the data has been collected. If the data is easily available, we'll try to make that available to you. I'm not certain that there's going to be that level of detail.

There are problems aplenty, given some of our exercises in the education system. When you pour \$2 billion into the system, I can tell you that we are having lots of issues on the quality of education. We're demanding results for our investments, and that means that boards do have to respond quickly to get teachers into the classroom. I do think that every year, when they see this kind of significant investment, boards are responding in kind and many new teachers are being hired.

As to this particular issue, there are limits to the amount that an occasional teacher can work. If they're coming back as a retiree, their pension has limits on how much they can come back in to work. To the extent that I don't know any more details but that I might get some for you, I'll certainly try to do that.

**The Chair:** Mr. Klees, you have about three minutes.

**Mr. Klees:** What I don't want is the minister to say "if it's easily achievable or readily available." I really don't care if it's readily available. Surely the ministry has the ability to get this information. I'm asking, as a member of this committee, that we get this information. I think it's very important. It's also important to know, in addition to finding the numbers, how much those teachers are being paid, by board. I'd like to know how much those retired teachers have been paid by those boards for their service over the last two years. I would also like to know the rate of pay that the new teachers, the young teachers, who are graduating are getting and I'd like to know by comparison how many of those teachers are present in these boards. That's important information. It impacts the bottom line of your ministry. I would look forward to receiving that information.

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**The Chair:** I just want to say for the record that in the minister's reference the use of the phrase "if it's readily available" in my view is contemptuous of the committee. That is not the requirement of this Parliament, nor is it the requirement of the regulations that govern the estim-



ates committee. You're required to provide these as a part of the estimates and you're required to submit them. We can hold up the estimates until we get certain information if in the opinion of the committee that is required.

The minister has chosen to limit the process by limiting the number of people here who can respond. They are your civil servants; they will walk off a short pier if you tell them to. But the fact of the matter is that this is very difficult, and in my eight years I've never had a minister use the phrase and actually mean it: "If it's readily available, I'll let you know when I might be able to share it with you." It's a requirement. I wish your deputy were here so that I could reinforce that because that's a matter for the Cabinet Office and the conduct of a senior bureaucrat.

I just want to assure Mr. Klees that this committee will not be passive in pursuit of these responses. Perhaps we've been too diplomatic as a committee with this ministry. Given that you're a new minister, we'll make certain allowances, but certainly the conduct of your deputy has been quite deplorable.

**Mr. Klees:** Chair, I just want to point out to you that while you've been making these very direct statements concerning the minister's performance, she has not been listening to you. She's been engaged in conversation, and I believe that's contempt of this committee.

**The Chair:** I'm not worried about whether or not the minister is listening. I know that the public is listening and I know that the deputy will see the transcript. We have a responsibility as former ministers of the crown. Our deputies are required—they get performance bonuses—to provide the work. It's just extraordinary to hear a minister to say, "People need holidays. They need vacations."

I'm sorry; I remember at one time tabling 85 order paper questions and I had the civil servants responsible phone me and say, "Please don't do this again. We're getting them as fast as we can." That was under Sean Conway, who did an extraordinarily good job in responding to our questions.

We will revisit this. This may be problematic tomorrow, when we begin our estimates, if we don't have any responses. This is a matter for a larger issue if a deputy cannot answer basic and simple questions with the size of his budget, \$17 billion, and with the number of staff that he has in the Mowat Block.

It has come to the end of your time, Mr. Klees. I would like to recognize Monsieur Bisson.

**M. Gilles Bisson (Timmins-Baie James):** Merci beaucoup, monsieur le Président. J'espère qu'au moins notre deuxième langue officielle—on va avoir la chance de demander des questions et, plus important, d'avoir des réponses.

I'll wait for the minister to put on her hearing aid and I'll respond to that. I will say that one more time.

Je vais le dire très lentement parce que je sais que les traducteurs travaillent très fort aujourd'hui.

I'm just waiting for you to get caught up. I hope you're on the same channel as me, Minister.

Avez-vous la traduction? Il y a de la traduction? Oui, on se comprend? C'est très frustrant des fois ici comme francophone. OK, on est païré?

**The Chair:** Channel 2 for those—

**M. Bisson:** On commence. Madame la ministre, on va débiter en disant que j'espère qu'on va avoir la chance non seulement de demander des questions mais d'avoir des réponses dans notre deuxième langue officielle ici à l'Assemblée, parce qu'il y a beaucoup de monde qui veut savoir les réponses à certaines questions. Avec ça, on va commencer.

Vous savez que pour desservir la communauté francophone quand ça vient à l'éducation en français, le territoire est très vaste. Vous savez, par exemple, qu'au nord de l'Ontario, au sud-ouest de l'Ontario et dans d'autres places, les communautés francophones sont éparpillées un peu partout dans la province et que les conseils scolaires sont très immenses. Je me demande, acceptez-vous que c'est difficile dans la géographie de l'Ontario de desservir les élèves francophones à travers la province?

**Hon. Ms. Papatello:** I think it's fair to say that probably governments of every political stripe, yours included, have recognized the issues of delivering French-language schools with appropriate supports and investments to try to do that better. I believe that every government has improved somewhat. I don't believe that we're where we want to be, but I think that all of us have an intent to do better.

**M. Bisson:** Vous acceptez que c'est un peu plus difficile, étant donné que la communauté est éloignée, que les francophones ne sont pas regroupés géographiquement dans un endroit et que les conseils sont beaucoup plus grands, donc c'est plus difficile à desservir la communauté francophone?

**Hon. Ms. Papatello:** I'll tell you my experiences in these three weeks, having been named minister. Just getting a handle on the maps that cover the geographic territories of these French services boards: It's utterly amazing that one of them may well rival your own riding in its size in geography. It is quite amazing. I think that calls for a number of innovative techniques, whether it's through technology—a myriad of services may have to be applicable in this setting more so than in the English setting because of the issue of distance.

It isn't the same as distance issues for some of our northern school boards. I think it's fair to say that it is a tremendous challenge in the Toronto area, for example, but that it isn't just Toronto; it covers Toronto and north—

**M. Bisson:** Donc, vous acceptez.

**Hon. Ms. Papatello:** Whatever. They're massive.

**The Chair:** Thank you, Minister. Mr. Bisson.

**M. Bisson:** Oui, vous acceptez la question. Bien, j'ai dit qu'elle accepte que oui, c'est difficile.

Deuxième question : vous savez que la Charte des droits—premièrement, la constitution canadienne, dans l'article 23, dit qu'on doit offrir aux élèves, francophones comme anglophones, les services en français quand ça

vient à l'éducation. Vous acceptez ce qu'on écrit dans notre constitution?

**Hon. Ms. Papatello:** I think that every political party that has represented government at some time over the last 20 years has, and has endeavoured to deliver the best in this type of service. I think you in particular have followed with interest the last two and half years in terms of our investments in French-language boards. I have recently met with—

**M. Bisson:** Mais ma question est, acceptez-vous que dans la constitution canadienne on a une responsabilité de desservir la communauté francophone?

**Hon. Ms. Papatello:** I think all of us intuitively understand the need to meet our constitutional obligations.

**M. Bisson:** C'est beau. C'est tout ce que je voulais savoir.

Numéro trois, vous savez qu'un des gros problèmes est le manque de financement. Les distances sont vastes, comme on dit, et les écoles sont plus anciennes. J'aimerais savoir, c'est quoi votre plan, comme ministre et le ministre, d'assurer que les écoles dans les communautés où on dessert les francophones soient adéquates pour répondre aux besoins dans le système public comme dans le système catholique? C'est quoi que vous allez faire pour assurer que ces écoles soient adéquates pour desservir—premièrement qu'il y ait des écoles et deuxièmement, quand elles sont là, qu'elles soient adéquates pour desservir la communauté francophone?

**Hon. Ms. Papatello:** I think that's a very broad question that probably calls for a broader answer. Frankly, I think there is—

**M. Bisson:** Pas trop long.

**Hon. Ms. Papatello:** Right. I think there are some significant issues that you may or may not choose to address in the future, but there are some particular markers that have become quite apparent to every government: the kinds of losses from the French-language system, as students move through it, that clearly indicate that there are issues in how the services are being delivered. If you see a significant drop in the number of students after elementary school and they're not continuing on in that French-language system in high school, there's a reason for that.

What is the government doing to respond to that? Some of the areas of programming, and having the same level of programming available to people, whether they're in the French-language board or in the English board, I think are important. Parents will want to know that their students will have all choices available to them as they would, had they been in another system. It's just one marker that shows some significant, I believe, policy issues that need to be addressed in these boards.

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**M. Bisson:** Une réalité, madame la Ministre, dépend d'où le francophone demeure. Si le francophone demeure à Timmins, à Geraldton ou dans une autre communauté, ça peut être une expérience différente quand ça vient à

avoir accès aux systèmes francophones, soit publics soit catholiques.

Ma question est, que voulez-vous faire, exactement, pour assurer que les parents dans tous les districts de la province aient la chance de choisir soit d'envoyer leurs élèves au système public francophone ou au système catholique francophone? Comme vous savez, c'est un peu difficile maintenant.

**Hon. Ms. Papatello:** I think you probably have learned that we have secured a new \$3-million, I believe, four-year deal with the federal government to continue to invest in elementary, secondary and post-secondary education. This is specifically as a result of all of us recognizing what all of our roles are in providing an excellent level of service in French-language schools. That's but one of the investments being made in the infrastructure of these boards. I think it's apparent to everyone that we have had significant investment in infrastructure. We have had investment in the teachers as well, with the number of student success leaders in those French-language schools, in the elementary schools with a focus on literacy and numeracy.

I'm suggesting that we're by no means done. We have tabled, as you know, the request, and it has been accepted, for a permanent French-language special task force that will continue to advise us on policy. The aménagement linguistique I think is an important one.

**M. Bisson:** La question que je demande: acceptez-vous que, dépendant d'où le parent se trouve, c'est difficile des fois de choisir d'envoyer son enfant à un système public parce que l'école n'est pas là? Il y a certains endroits, parce que la géographie est telle, qu'il n'y a possiblement rien qu'un choix, le choix catholique. Acceptez-vous qu'il y a un problème dans certaines parties de la province de faire le choix d'envoyer leurs enfants à une école francophone publique?

**Hon. Ms. Papatello:** I do believe that there are far more challenges for French-language students in terms of choices that they're making. I believe that we're trying to address those challenges by making more opportunities available to them.

**M. Bisson:** Donc, vous acceptez qu'il y a un problème. Ma deuxième question: qu'est-ce que vous avez comme plan pour rectifier le problème? On comprend que ça ne peut pas arriver dans deux minutes, mais c'est quoi le plan pour être capable d'accepter que les parents, n'importe où qu'ils se trouvent, peuvent faire le choix d'envoyer leurs élèves soit au système français catholique soit au système public?

**Hon. Ms. Papatello:** I will provide you with a list of the specific investments, for example builds—actual examples of schools that are being built in the system to create opportunities.

**M. Bisson:** On sait où elles sont bâties, madame la Ministre. On peut les trouver.

**Le Président:** Monsieur Bisson, permettez à la ministre de répondre, s'il vous plaît.

**M. Bisson:** Excusez-moi, monsieur le Président; mes excuses très sincères.



**Hon. Ms. Papatello:** I will provide you with some very specific examples of the investments that are being made to allow parents the kinds of choices they would like in the area of infrastructure, specific schools being built, in the area of programming and in the area of just policy involvement by the variety stakeholders we've reached out to. I hope this member opposite would acknowledge that it's important, probably more so in this system than in any other, that the teachers and school boards are actual leaders in the francophone communities where they're found, and that the role they play through their schools and the health of their schools have quite a bit to do with the culture of our francophone community in Ontario.

**M. Bisson:** Ma question : oui, vous êtes capable de me donner une liste d'où sont les écoles présentement. Je pense que je peux les trouver; elles sont là. Je les vois.

Ma question est de deux parties : premièrement, c'est quoi votre plan pour assurer que les écoles soient là pour que les parents aient le choix d'envoyer leurs enfants à une école française; et deuxièmement, qu'est-ce que vous allez faire pour assurer que les écoles qui sont là présentement soient au moins des écoles qui rencontrent le standard nécessaire? Comme vous le savez, dans beaucoup d'exemples les écoles francophones publiques se trouvent des fois moins choyées que d'autres quand ça vient aux institutions.

Donc, ma première question : êtes-vous capable de nous donner un plan de comment vous allez rencontrer les demandes des nouvelles écoles qui ont besoin d'être bâties; et deuxièmement, le plan de ce que vous allez faire pour la réparation des écoles existantes qui rencontrent au moins les besoins des normes.

**Hon. Ms. Papatello:** I think it's not just what's happening presently or what you can see being built today, but what some of the action items are into the future that either have been announced or perhaps have not been announced yet. In our next round of grants for 2006-07 there will be more information available in that context for additional supports to French-language schools. I have to say, though, that I anticipate that a significant amount of the work that's expected out of a standardized, regularly meeting task force for French-language schools will play the role of setting policy and ongoing policy instruction to help inform government on some of the needs that we have to address much longer-term.

I do believe that we have responded with a significant investment over the last couple of years of some \$50 million. These schools actually have also benefited from some of our investments in rural schools, in the geographic distance schools, because they are also in areas like eastern Ontario, whether it's the Prescott-Russell area or whatever. They too are benefiting from those supports. Because they have issues, some of which are the same as for our northern and rural schools, they benefit there. They are getting, in addition to that, some \$50 million of investment in their school system, and we anticipate that we have much more policy work to do, but the community seems game to work with us.

**The Chair:** Thank you, Minister.

**M. Bisson:** Une question très spécifique : avez-vous un plan pour rencontrer les besoins de ces élèves, et si oui, êtes-vous capable de nous donner ce plan?

**Hon. Ms. Papatello:** Are you speaking specifically to capital plans in terms of schools?

**M. Bisson:** Les fonds capitaux pour les écoles, oui.

**Hon. Ms. Papatello:** Okay. I'm going to ask my ADM to address some of the capital issues with French-language schools, and then if that's not sufficient and we have more that we can send to you, we will.

**Ms. Naylor:** Thank you. My apologies for responding in English, but I will just mention a couple of the investments that have—

**M. Bisson:** Madame, excusez-moi. On a seulement un petit peu de temps. Je connais les investissements que vous avez faits jusqu'à date. J'ai ces listes dans mon bureau. Je vous demande, c'est quoi votre plan? Avez-vous un plan, et si oui, êtes-vous capable de nous donner un plan pour comment vous allez répondre aux besoins futurs qui sont donnés par les conseils? Ne parlez pas de ce qui était fait. On le sait déjà.

**Ms. Naylor:** There are a couple of things that are relevant to say. One is that we are currently collecting five-year capital plans from all school boards, including all 12 French-language school boards, and in those plans we have asked them specifically for information about their needs in a number of areas. Primary class size is a major area of capital activity. Repair and renewal: As you know, we have a major \$2-billion program to repair and improve the condition of schools for the learning environment for students. We are also planning to introduce a prohibitive-to-repair program to retire or replace schools that need either deep retrofit or complete replacement. So on those plans, as boards submit them, we will be reviewing them and developing allocations for that funding.

Specifically with respect to French boards, we have two major things. One is that they have identified for us that they would like investments around program investments, for example, schools where they don't have libraries and gyms, so this is an initiative that will respond to that need. We also have a program we refer to as capital-transitional. We've run it for the last few years. We've allocated a number of schools to the French-language system. We expect to keep doing that. That's a program where French boards identify areas where there are French right holders without schools to serve them. So in a sense they don't have an enrolment base to justify or generate a need for new schools, but on the basis of the rights holders, the government has for a number of years identified areas where schools should be. So we are slowly building a network of elementary and secondary French schools both in the public system and the Catholic system, and we expect that will be a multi-year program.

**M. Bisson:** Avez-vous un critère, comment faire ces décisions?

**The Chair:** Minister, I sense you'd like to answer this question, briefly.



**Hon. Ms. Pupatello:** I think it's important to note that for the English boards, public, Catholic and French-language boards, we are having discussions now around capital policy. What all boards currently know is that we are requesting this five-year plan from them, and they are awaiting as well from us more detail around policy and capital—

**M. Bisson:** Je le comprends, mais est-ce qu'il y a présentement un critère par lequel vous allez faire vos décisions?

**Hon. Ms. Pupatello:** Currently? All of this is under review right now. We are in the middle of deliberating.

**M. Bisson:** Donc, il n'y a pas de critères présentement? C'est tout ce que je voulais savoir.

Écoute, on parle toujours du « local », parce que c'est chez nous; c'est là nos électeurs. On veut s'assurer que nos électeurs sont très contents. À tous les quatre ans il faut passer les élections puis cogner aux portes. Je veux m'assurer que le monde chez nous à Timmins—Baie James est content.

Je vous demande une question. Présentement au système public francophone il y a seulement une école primaire francophone à Timmins et une demande de faire bâtir une deuxième école dans une autre partie de la ville pour attirer des étudiants. Savez-vous quelque chose sur ce projet, l'école publique élémentaire de Timmins? Si oui, quoi?

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**Hon. Ms. Pupatello:** No, I'm not. But I anticipate that in the ensuing months I'll have an opportunity to know most of the programs, in your riding in particular. As this member knows, I spend an awful lot of time worrying about Timmins issues, regardless of my portfolio, it seems.

**M. Bisson:** Oui, c'est toujours très beau de prendre soin de Timmins. Peut-être que votre sous-ministre—êtes-vous au courant de ce projet du conseil public, dans la région de Timmins, d'une deuxième école publique primaire?

**Ms. Naylor:** No, I can't say I am.

**M. Bisson:** Je veux seulement dire à la ministre qu'on va vous donner possiblement une lettre suite à cette rencontre de ce comité, parce qu'il y a certaines questions faisant affaire avec ce que le conseil scolaire a besoin de vous donner pour élaborer ce projet. On va le laisser à ce point-là.

Prochaine question—je n'en ai que deux autres, monsieur Marchese, notre critique. Je sais qu'il a beaucoup de questions mais j'en ai encore deux. Ça va aller très vite.

**Le Président:** Monsieur Bisson?

**M. Bisson:** Oui?

**The Chair:** It is quite permissible, if you wish, that they will be deemed to be entered into the record if you don't wish to read them in. They will be—

**M. Bisson:** Non, non. Excusez-moi. Écoute, ça va être très vite. Vous savez qu'il est supposé d'y avoir une certaine collaboration entre les conseils. Êtes-vous satisfaite qu'il y a une collaboration assez profonde entre,

on va dire, les conseils francophones catholiques et publics? Pensez-vous qu'il y existe une collaboration assez forte?

**Hon. Ms. Pupatello:** I'll be in a better position to answer that when I get to know both boards—and all of the boards—better. The likelihood is that there isn't enough collaboration, if it reflects the English boards; that's certainly the case there. Although there are some excellent examples where they're sharing schools amongst themselves as well as amongst English schools.

**M. Bisson:** Juste pour vous donner un peu de contexte, il y a certaines communautés où le noyau francophone, la population francophone est très grande. Dans ces instances, ça fait beaucoup de bon sens d'avoir une école francophone publique et une école francophone catholique; ça marche très bien. Mais il y a d'autres communautés où la communauté est très petite quand ça vient au nombre total d'étudiants.

La question est qu'il y a certains qui disent qu'il faudra avoir une certaine collaboration « polyfusée ». On ne parle pas d'une fusion parce qu'il faut avoir une division entre le public et le catholique; on parle des collaborations pour assurer que les élèves dans ces communautés aient une école adéquate et aient la programmation et les services adéquats pour donner une éducation, une expérience, qui est excellente. Dans certains cas, ces écoles ne donnent pas tout ce qui est là : bibliothèque, service de gymnase et autres.

Ma question est, avez-vous un plan pour être capable de regarder à cette question : comment, dans les communautés plus petites où il n'y a pas une grosse communauté francophone, être capable d'aider avec la collaboration des deux conseils? Avez-vous un plan?

**Hon. Ms. Pupatello:** I anticipate that this will become a standing item on the agenda because it is reflective of the issues at large in the French-language system. That is around collaboration and co-operation in a world of certainly not enough money: How many more innovative ways can we find to have excellent levels of programming in these schools? If that means collaboration on all fronts, whether that's sharing libraries or some of the examples that you gave—I believe that that will become a standing item on the agenda for this French-language task force, which will become a standing task force with regular meetings to provide the minister and the ministry with advice on policy.

This member is probably aware of the aménagement linguistique, which is also off and running to provide us with some very good policy direction in this area.

As I was saying earlier, just because they haven't been funded to the level that's allowed—the kind of uniqueness that the boards need—they have been quite innovative. The boards that you mentioned have been, in my view, more innovative—I suppose they say that necessity breeds innovation; they have been quite innovative, and I think many of our other boards can—

**The Chair:** Thank you, Minister. M. Bisson, one minute.

**M. Bisson:** Dernière question. Vous savez qu'il y a eu une promesse dans les dernières élections pour rencontrer

les recommandations de Rozanski, qui disaient que les conseils francophones ne sont pas financés adéquatement, qu'on a besoin d'avoir une addition de 120 \$ millions, dans les dollars de—je ne me rappelle pas l'année des élections—la dernière élection.

Qu'est-ce que vous avez comme plan concret pour assurer que les recommandations de Rozanski et la promesse qui a été faite par votre parti dans les dernières élections vont être rencontrées de \$120 millions? Jusqu'à date un certain pourcentage a été donné. Qu'est-ce qu'on va faire pour s'assurer que le restant de ces 120 \$ millions soit là?

**Hon. Ms. Pupatello:** Specifically—and this has been a conversation already with me in my new portfolio—I will tell you that in a number of areas across grants over the last two years, we have addressed significant issues, not just for French-language boards but for English public and English Catholic as well. So there is a significant amount of contribution and investment, for example—

*Interjection.*

**Hon. Ms. Pupatello:** I realize—specific to rural, distant etc., which was also referenced in the Rozanski report. In addition to that investment, we have added another \$50 million that's specific to French-language boards.

I believe that, like most of our investments, we need to do them in a way that's going to get the results that we need. I am prepared to look at what our next round of investment will be, but also tie it to some of the markers that I believe we will agree have to result in the kinds of program improvements that parents and students want to see, etc. That tells us that we can't—

**The Chair:** Thank you very much, Minister. Mr. Marchese?

**M. Rosario Marchese (Trinity-Spadina):** Merci.

**M. Bisson:** À demain.

**M. Marchese:** C'était très bon de t'avoir ici. Merci.

**M. Bisson:** Je vais prendre ta plume.

**M. Marchese:** Voilà.

**The Chair:** Take all his time and his pen as well.

**M. Marchese:** Non, c'était la mienne.

**M. Bisson:** Si tu veux, je peux t'aider.

**The Chair:** Mr. Marchese, please proceed.

**M. Marchese:** Non, non, merci. Si tu veux rester, reste.

**M. Bisson:** Je peux t'aider.

**Mr. Marchese:** For the record, estimates is a time when we try to ask questions and make the minister and the ministry accountable to all three political parties.

I am deeply disappointed that the deputy minister is not here. The deputy minister is the chief executive officer of that ministry. He has been here over a year now and he's got a great deal of knowledge that the minister has made reference to in her remarks last week. I've got to tell you, when the deputy is not here, it's a problemo.

**The Chair:** To put a fine point on it, his failure to even advise this committee, the lack of courtesy there, or

the recommendations from the Chair as to how to cope with it—I will take that up with the Premier's office.

**Mr. Marchese:** Disappointed. My question: We had asked last year for the staffing reports from each board that would demonstrate that so many teachers were hired in 2003-04-05. We were promised by the previous minister that these numbers would be available last November—I think he said that by November we'd be able to get hold of them. Are they available, Minister?

**Hon. Ms. Pupatello:** I will endeavour to see that they are available. In fact, some of the questions that you tabled should be available this week that you asked us the other day.

**Mr. Marchese:** Your ministry did reply to this question that I asked. What they provided were figures for 2001-02, 2002-03. Those are the figures that your ministry provided. We didn't have figures for 2003-04, and we didn't get figures for 2004-05. Do you know why?

**Hon. Ms. Pupatello:** My ADM, would you like to address this?

**Ms. Naylor:** Can you be more specific about which areas you're looking for?

**The Chair:** Ms. Naylor, you understand the question?

**Mr. Marchese:** It's a question—the answer of which came from the ministry.

**The Chair:** Ms. Naylor understands the question.

**Ms. Naylor:** My apologies. We had gone through the questions very carefully, and I thought we had responded to all the years and data that had been requested. If there were some that we overlooked, my apologies. We'll be happy to get those for you.

**Mr. Marchese:** So the figures for 2003-04 and 2004-05 are available, for newly hired teachers?

**Ms. Naylor:** Yes. They may be available now. We'll be happy to go back and respond then.

**The Chair:** They're available.

**Mr. Marchese:** Okay. Just to remind you that what you provided for me, question 1(a), says—I'll show it to you: "We do not collect data"—

**The Chair:** You're not on the microphone when you leave your chair. The clerk is here to assist you.

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**Mr. Marchese:** This document says, "We do not collect data concerning the number of newly hired teachers."

**The Chair:** We're securing you another copy, and we'll have it to you in a moment.

Mr. Marchese, you're back on the microphone.

**Mr. Marchese:** It seemed odd that we had data for 2001-02 and 2002-03, when the Tories were in power, and that your response is, "We do not collect data concerning the number of newly hired teachers." Can you respond to this, Minister, or the assistant deputy?

**The Chair:** Ms. Naylor, the question's been directed to you.

**Ms. Naylor:** I think what I've been handed actually is different. These are the questions we tabled the other day, but I will speak generally. We don't collect data exactly on newly hired teachers. I think what we provided you in



your responses to last year's questions was data about teachers who are in what we call the entry cells on the grid—teachers with a limited number of years of experience, with limited credentials, who are perhaps beginning their career. So it may have been a question of interpretation.

**Mr. Marchese:** This was the question either you or somebody else answered: "Can you tell us the number of newly qualified teachers that were hired by Ontario school boards for the current school year in both the secondary and elementary panels, and can you tell us what the numbers were for the last two years?" That was the specific question, right? It's not vague or unclear; it's very specific. The answer is, "We do not collect data concerning the number of newly hired teachers."

The reason I raise this is that it's troubling to me. You have the minister, a former minister and the Premier today saying, "We're hiring 4,200"—or 4,300; I forget the number—"new teachers." They keep on throwing this number out. We want to be able to say to the ministry, "Minister, Deputy, Assistant, give us the number," so that when the minister and other ministry people and the Premier say, "We've hired 4,000 new teachers," we can say, "Okay, where's the evidence for it?" That's my question.

**Hon. Ms. Papatello:** I have to say, and you will likely know this as a teacher yourself at some point and having watched as an education critic for years as well, that when the information comes back to us from the board, we have ways to assume a teacher is new because they will tell us how many of their teachers are at what point on the salary grid. A teacher who's been there for 20 years will obviously be at the top end, and you could assume that's not a new number. So based on the number—

**The Chair:** Minister, I'm going to interrupt you. The question was very clear, and I'll rephrase it for you to help you: Could you please tell us what statistical base our Premier used today to come up with the number of 4,000? You're willing to defend that. This committee has a right to know how he arrived at the number. If you don't know and your deputy doesn't know, fine, but then tell us and we will inquire of the Premier's office as to how he gets these numbers out of the Ministry of Education. But this act is wearing thin.

**Hon. Ms. Papatello:** If you look at the numbers, as they come back to us from each board, this is how we make the count.

**The Chair:** He's satisfied that you do not have an answer.

**Mr. Marchese:** All I want is your evidence. I don't want to look at numbers I can't see; I want for you to prove that you've hired 4,000 new teachers. You said that last year; you say it this year. I want you, if you have the evidence, to show it to me. That's all I want. If you don't have it today, can you get that for me?

**Hon. Ms. Papatello:** Perhaps we can just explain how we get information from our boards in order to prove to you—

**The Chair:** You've already done that, Minister. You've given us an explanation. Thank you.

Mr. Marchese.

**Mr. Marchese:** On the class size cap: I know that you've tackled this before, and I just want to try this again. Have you succeeded in capping primary class sizes as per your election promise?

**Hon. Ms. Papatello:** I think that at this point in the term, we are well on our way to achieving that. But as this member opposite would know, having served in government for five years actually, not for the standard four, we clearly can't commit to and finish everything in the first year or two. Something like class size, which has its own inherent challenges with every board to implement—

**The Chair:** You don't have the statistics, is that what you're saying?

**Hon. Ms. Papatello:** Of course we do. You haven't asked for the number; you asked if we've completed it. The truth is—

**Mr. Marchese:** Have you succeeded in capping primary class sizes?

**Hon. Ms. Papatello:** You have to let me finish. The truth is that at this point in time, we have moved significantly along to achieving our goal. I believe that with the \$112-million investment so far, we've moved from 48% to 52% of all of our classrooms being at the 20 cap or below.

**Mr. Marchese:** What mechanism is being used to monitor class sizes?

**Hon. Ms. Papatello:** We rely on a good relationship with our boards obviously in terms of reporting. In this new world, as you know, we've had some significant accounting changes. We anticipate that our relationship will be even closer when they report to us the number of classes they have that are 20 or below.

**Mr. Marchese:** So the mechanism is that the boards report to you?

**Hon. Ms. Papatello:** That's right.

**Mr. Marchese:** Can the minister produce a complete list of the size of every class in every school in the province?

**Hon. Ms. Papatello:** We are taking very specific efforts to track our JK to grade 3, which is part of our commitment. I anticipate that very soon we will not only be able to table it in the House or table it for all MPPs, but we plan to post it publicly, and the boards are aware of this as well.

**Mr. Marchese:** You're tracking at the moment, so you have some data. Is there a reason why you wouldn't give us the data of where you have capped class sizes and when you haven't been able to achieve capped sizes?

**Hon. Ms. Papatello:** At the moment, as you know, our commitment is to publicize this. We're doing that and we're preparing it for publication. We are now in the midst of going back with each board to confirm. As you know, as you move through the school year, there are changes in-year, so before it becomes public, we have to be certain that each piece of data is accurate—

**Mr. Marchese:** That's fine, but—

**Hon. Ms. Papatello:** Sorry, but I have—



**Mr. Marchese:** No, you don't, Minister.

**The Chair:** No. Well, you know what, Minister?

**Hon. Ms. Papatello:** What I was going to say—

**The Chair:** No. Quite frankly, we've asked for specific data, and I don't wish to do this for Mr. Marchese, but are these monthly reports, quarterly reports or annual reports, and when can you table the reports with this committee?

**Hon. Ms. Papatello:** As I was going to say if you'd let me finish my sentence—

**The Chair:** No. I'm asking you a question. I'll ask Ms. Naylor.

**Hon. Ms. Papatello:** Actually, I can tell you right now that—

**The Chair:** Do these reports come in quarterly, monthly or annual reports? That's essentially Mr. Marchese's question.

Ms. Naylor, can you answer?

**Hon. Ms. Papatello:** We are going to—

**The Chair:** Ms. Naylor, can you please answer?

*Interjections.*

**The Chair:** Ms. Naylor, can you answer the question?

*Interjections.*

**The Chair:** I'm asking Ms. Naylor if these reports from the boards are monthly, quarterly or annually.

**Ms. Naylor:** Mr. Chair, the minister's answer is correct. They're annual reports.

**The Chair:** They are annual reports. So what is the last annual report you have, and when is its expiry date?

**Mr. Marchese:** Can we get it, the last report?

**The Chair:** Mr. Marchese, I'm trying to help you. We're almost going to get it here. Ms. Naylor?

**Ms. Naylor:** The last complete one we would have would be for 2004-05. We would just be processing the second half of the 2004-05 school year. We collect class sizes as of October 31 and March 31, so we don't have the final 2005-06 data.

**The Chair:** So you have a final report but you measure twice a year; correct?

**Ms. Naylor:** That's right, because some schools are on a semester system.

**The Chair:** Thank you. You do your analysis on the last fiscal year for the ministry; is that correct?

*Interjection.*

**The Chair:** So when will you be able to give Mr. Marchese the most recent reports because they're available now?

**Hon. Ms. Papatello:** They're not available now.

**The Chair:** I said the most recent report, Minister. I'm talking to Ms. Naylor.

*Interjection.*

**The Chair:** I'm asking Ms. Naylor.

Minister, we can be here all next week, if you like.

**Hon. Ms. Papatello:** That's fine, but I'm telling you—

**The Chair:** This committee stands adjourned. We will reconvene tomorrow at 3:30. I should recommend that your staff be ready to be on deck for this committee next Tuesday as well. Thank you.

*The committee adjourned at 1749.*









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Second Session, 38<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 3 May 2006

# Journal des débats (Hansard)

Mercredi 3 mai 2006

Standing committee on  
estimates

Ministry of Education

Comité permanent des  
budgets des dépenses

Ministère de l'Éducation



Chair: Cameron Jackson  
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## STANDING COMMITTEE ON ESTIMATES

Wednesday 3 May 2006

## COMITÉ PERMANENT DES BUDGETS DES DÉPENSES

Mercredi 3 mai 2006

*The committee met at 1556 in room 228.*

### MINISTRY OF EDUCATION

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates. We have before us the Minister of Education with her deputy and ADM Nancy Naylor. We have three hours and 21 minutes remaining, I believe, Mr. Marchese, you have 10 minutes remaining in your cycle.

Before I begin, Deputy, do you have any responses to the outstanding questions with you today?

**Mr. Ben Levin:** Chair, I'd like to first of all explain to the committee my absence yesterday. I had a long-standing speaking engagement in Winnipeg, which is why I was not here. I certainly intended no disrespect to the committee by not being here.

I believe we will have some material to table before the end of today, in response to some of the questions.

**The Chair:** Mr. Marchese.

**Mr. Rosario Marchese (Trinity-Spadina):** Thank you very much. I accept the explanation. I'm glad to have been offered one. That makes sense.

Yesterday, we were on the topic of the class size cap, and I asked, "What mechanism is being used to monitor class sizes?" and the minister said that we have school boards that provide information. I wonder whether the minister and/or the deputy might add anything to that. Is that the only mechanism we have? Is there a different kind of mechanism that we use to monitor class size, or is that it?

**Hon. Sandra Pupatello (Minister of Education, minister responsible for women's issues):** I think my deputy may be able to add as well, but we were saying yesterday that the mechanism is in terms of numbers. Because the board budgets are constantly changing, for us to look at this year's numbers, which were the ones you were asking for—we won't have them completed. They are constantly changing, but we're planning, as you know, to be releasing this information publicly. So we now are in this back-and-forth with boards to confirm their numbers. They are going to be public shortly, and they'll actually be posted on the website.

**Mr. Marchese:** Which is good, but the mechanism is the board? They provide the information? There is no other evidence-based kind of procedure that we use? They collect the numbers, you get them, and that's how you know, right? Basically.

**Hon. Ms. Pupatello:** Yes.

**Mr. Marchese:** So we don't have this year's numbers, but we have last year's numbers in terms of capping. Is that correct?

**Hon. Ms. Pupatello:** We do have some numbers from last year as well. Again, we are negotiating—things certainly have changed financially between the government and the boards. As you know, with our accounting practices we are entering into a whole new relationship financially with our boards. For that reason—

**Mr. Marchese:** Sure. But does that change the fact you will have the numbers for capping this year, and there are numbers presumably available for last year? In spite of what you said, I'm assuming the numbers are available. Could we make them available? Could you give them to us?

**Hon. Ms. Pupatello:** The numbers that we are seeking, given what our mandate is in this term, when we want more detailed information—we are now setting up that relationship and working with our boards to be able to determine and get that level of detail. We are now working with our boards—

**Mr. Marchese:** Okay. But I remember the former Minister of Education saying "40%." "We've now achieved, I believe, 40% of capping in all of our Ontario schools." I'm assuming, based on that figure, that he knows. He must have some evidence for it. So I'm saying to you, can I have that evidence? Can we share it so that I can say, "Okay, the minister is right, and here's where the numbers are?"

**Hon. Ms. Pupatello:** Yes. We know that when we began in 2003 the number was at 30% of the class size. Now we know that the numbers are growing. We are looking for more detail. I'm going to ask my assistant deputy minister as well to address the numbers that existed prior so you can have some comparisons.

**Mr. Marchese:** Right. I don't want detail. All I'm saying is, whatever numbers you've got, based on which statements have been made around the issue of capping, could we have them? I know you're saying that this information is changing; that's fine. We can get whatever additional information there might be on this, based on changes the following year. But whatever you've got for past years, I'm saying, share it with me. Can you do that?

**Ms. Nancy Naylor:** As the minister said, our starting point on classes under 20 in the JK to grade 3 was around 32%, so you may have heard the previous minister refer

to that. We did collect the 2004-05 numbers, and on an expedited basis we're trying to get the 2005-06. We're in the final stages of confirming that data back and forth with boards. We expect to release that, as the minister said, on the website fairly shortly, as soon as those confirmations are—

**Mr. Marchese:** So that's 2005-06. Do we have 2004-05? Is that available? Can you share it with us?

**Ms. Naylor:** We're doing 2004-05 as well. The reason why is that we've always collected it on an average class-size basis, so collecting it literally on a class-by-class basis to have the student numbers in every class is a slightly different data collection. That's what we're finalizing so that we can post it on the website.

**Mr. Marchese:** How was the previous minister able to say that 30% of our classes have been capped? How does he say it without, presumably, having some evidence for it?

**The Chair:** Ms. Naylor, the question is to staff about how the calculations are occurring.

**Ms. Naylor:** That was a 2003-04 number that Minister Kennedy used. Approximately 30% was a 2003-04 number.

**Mr. Marchese:** So if he was able to make that statement, it was based on evidence. All I'm saying is, can you share the evidence with us?

**Ms. Naylor:** That would be public when the data goes on the website.

**Mr. Marchese:** You understand my difficulty. The minister makes a statement and we are all supposed to believe that, based on evidence that you are regularly collecting. We have no way of objecting or being critical, because we have no objective evidence to prove or disprove it one way or the other. I'm certain that staff and the politicians are—

**Hon. Ms. Papatello:** Is that the question?

**Mr. Marchese:** Question?

*Interjection.*

**Mr. Marchese:** I see. All I want is—and I keep asking the same question: Can you share the data on which the minister based his 30% figure with me? I'm hearing that you can't.

**The Chair:** Mr. Marchese, again, I have to assist the researcher, who's responsible for putting this down.

**Mr. Marchese:** Yes.

**The Chair:** Are there freedom of information issues or confidentiality issues around any of this data, Ms. Naylor?

**Ms. Naylor:** No, we don't believe so, and we are planning to publish that. We've made that commitment, and that will be eventually public.

**The Chair:** Okay. The data is available now; it's just not ready for your website. That doesn't mean it isn't ready for this committee. Mr. Marchese will take the raw data. He doesn't need the interpretation. That's what the request is.

**Ms. Naylor:** There are a number of boards where we are still confirming their class counts, so we don't consider it complete.

**The Chair:** So you would be able to share the data with this committee, minus those boards that you're still trying to clear up from last year.

**Ms. Naylor:** This year.

**Mr. Marchese:** I'm not sure we can give more clarity, but keep on trying.

**The Chair:** Mr. Marchese has asked for data for a year ago and the current-year data. You're assembling current-year data, but last year's data you have, whether it's in dispute or not. We're asking for last year's data.

**Ms. Naylor:** The 2004-05 data?

**Mr. Marchese:** The 2004-05 data, yes. That's what I was asking, three times.

**Ms. Naylor:** Yes, I think that's possible.

**The Chair:** You think it's possible. Deputy Levin, do you have a degree of more certainty for the committee?

**Mr. Levin:** We can share 2004-05 data that the boards reported to us by numbers of classes.

**Mr. Marchese:** Exactly. That's great. Thank you.

**The Chair:** Thank you very much.

Please proceed.

**Mr. Marchese:** Can the ministry produce a complete list of the sizes of every class in every school in the province? Boards report that to you, and you would probably have a good sense of that.

**The Chair:** Ms. Naylor?

**Mr. Marchese:** The minister is saying no and Ms. Naylor was saying yes, I think, but I don't know.

**The Chair:** Whom are you asking the question to, Mr. Marchese?

**Mr. Marchese:** It doesn't matter, as long as I get an answer. So if the minister doesn't know, the deputy might know, and he hopefully will share with us.

**Mr. Levin:** The challenge in sharing class-by-class data in the current year is that those numbers essentially change on a daily basis.

**Mr. Marchese:** Right.

**Mr. Levin:** They're always frozen at a point in time.

**Mr. Marchese:** So if the numbers change, how can we prove class sizes have been capped anywhere? They're constantly changing. How can we say anything about capping?

**Hon. Ms. Papatello:** I think it's fair to say it was clear in the capping of classes from JK to 3—

**Mr. Marchese:** Yes, I know your commitment.

**Hon. Ms. Papatello:** That's what we're committed to doing, and all of the primary class size initiatives are around JK to 3.

**Mr. Marchese:** Minister, I understand your commitment. Often your Premier talks about capping; often your former minister would talk about capping and then talk about reduction of class sizes. They're not the same, and I think everybody understands that. All I'm saying is that if these numbers are constantly changing, then how can we say anything about what we've capped?

**Hon. Ms. Papatello:** The back and forth with the boards now is so that when it becomes published material, we want to be certain that the board understands



that this is the number we're using and that is the most accurate number.

**Mr. Marchese:** So this year we're going to get an accurate number, whereas last year it was not accurate. Because we've changed the mechanism?

**Hon. Ms. Papatello:** I can't speak for the former minister, but I can tell you that when we started as a government, the boards knew, according to the regulations and the act, that they were looking at averages of classes across the board, which is why, in your own riding, for example, you might have some schools that were wildly over but other areas within the board wildly under, and then they would average out at a number. But we did change all of the mechanisms of reporting, because in JK to 3 we weren't asking for board averages. We began asking for the real number per class. It became a big, difficult challenge for boards.

**The Chair:** Thank you, Minister.

**Mr. Marchese:** You remember my first question: What mechanism is being used to monitor class sizes? You told me that the boards give you that information. I was asking for a mechanism to determine what was used in 2004-05, and now 2005-06, as a way of understanding differences. I wasn't getting a sense of what mechanism you were using. Now we're getting—

**Hon. Ms. Papatello:** The boards now are being required to do this real, hard count. Prior to us, two years ago, they weren't having that requirement, so it became a great deal of work for them to be producing data that we requested.

**The Chair:** One minute, Mr. Marchese.

**Mr. Marchese:** Bill 78 refers to maximum average size of classes. Could the minister explain what this is and how it's arrived at?

**Hon. Ms. Papatello:** My deputy is happy to address that. And this is the bill that is not yet law.

**Mr. Marchese:** That's right, that will be soon debated, next week maybe, in committee.

**Mr. Levin:** What is currently in the Education Act is a provision that specifies a maximum average class size in both the elementary and the secondary panel. That was monitored because the boards would essentially report to the ministry each fall on the total number of classes and the total enrolment in those grades, and you could do the division and see if they were within the averages or not.

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**Mr. Marchese:** Right. Are class sizes going to be determined by grade, by division, by school or by board? Do you know?

**Mr. Levin:** Do you mean on the assumption that the new legislation is passed and the provisions are changed?

**Mr. Marchese:** Of course. I suspect they have a majority, and they usually get their way. But I could be wrong. On that assumption.

**Mr. Levin:** The legislation provides that the class size limits could be set in regulation. I don't believe a decision has yet been made as to precisely what those regulations would look like.

**The Chair:** Mr. Wilkinson.

**Mr. John Wilkinson (Perth—Middlesex):** Mr. Chair, could you just clarify for us, on the basis that we would yield our time now, how much time we have left?

**The Chair:** First of all, we do that with all-party agreement, and that's done through the Chair but not using time to do it. So right now you've got a 40-minute cycle at your disposal, if you'd like to use it.

**Mr. Wilkinson:** And if we don't use that 40 minutes, then we have how much time—

**The Chair:** I'm not prepared to negotiate on the record.

**Mr. Wilkinson:** I'm not negotiating; I'm just asking a question.

**The Chair:** Well, it's three hours and 10 minutes left of estimates, and we have an hour and 40 minutes left today, okay?

**Mr. Wilkinson:** Then we have no questions of the minister.

**The Chair:** Okay, thank you. Mr. Klees.

**Mr. Frank Klees (Oak Ridges):** I am looking forward, Chair, to questioning the representatives from the college of teachers. I understand they'll be here at 5 o'clock. I will defer the time I have to questioning them.

**The Chair:** Mr. Marchese.

**Mr. Marchese:** The bill refers to "maximum average size" of classes, and it will be done by regulation. That's what the bill says. But the minister probably doesn't know—for good reasons, I imagine, because it will be done by regulation. Deputy, do you have a sense of what that means? Do you have a sense of how it might be determined? Because how we determine maximum average class size is very significant. How that is done, whether it's by grade, by division, by school or by board, is important to us in terms of knowing how all that is going to happen. Can you comment on who will look at that, how that might be determined, what input people might have?

**Mr. Levin:** There are a number of ways in which that could be done, and of course the decision as to the contents of the regulation will be made through the normal process, through either the minister or the LGIC, depending on whether it's a ministerial or an LGIC reg. But one could anticipate a number of different ways in which one might do this. For example, given the class size cap in JK to 3, one might well want to have a different maximum in regulation for JK to 3 than for 4 to 8, whereas in the existing legislation there is one max across the elementary panel. Even prior to the current effort to cap class sizes, a number of boards had chosen to keep their JK to 3, their primary class sizes smaller, which resulted in their intermediate class sizes being larger. So one decision will be whether to have a single class size average for JK to 8 or one for JK to 3 and one for 4 to 8. In the secondary it becomes more complicated, because there are not only grades, which in my view don't seem to be a very logical way to organize class sizes, but there are the various tracks in the high school program. So one might want to think about whether one

would want to have smaller maximum class sizes, say, for applied courses or other kinds of—

**Mr. Marchese:** Yes, all those are good considerations.

**Mr. Levin:** I assume those will be the considerations that the government will want to address.

**Mr. Marchese:** Let me ask first the minister: There is no talk of caps in Bill 78. What there is talk of is maximum average class size. Is there a reason why we don't talk about caps in the bill versus talking about maximum average class size, whatever that means?

**Hon. Ms. Papatello:** We did say, in a number of areas, if the bill becomes law, that we would engage this sector—boards, teachers, all of our partners—in discussing the items that would be under the area that's considered of interest to the public, and in that negotiation and discussion we would land on the kinds of items required in regulation for us to achieve those quality levels in education.

**Mr. Marchese:** That doesn't mean anything to me. I wondered, are you interested at all—you know that your Premier is interested in capping, because he talks about that. You talk about it too. If you want capping, why isn't capping included in the bill, in terms of capping at the primary grades?

**Hon. Ms. Papatello:** The bill is being written so that it really is a bill. If it becomes law, it's about quality items in education. I think quality can be achieved on a number of fronts. Given the direction that we're heading in now, with the items that we've talked about—lowering the dropout rates, increasing scores in literacy, numeracy and all of those—

**Mr. Marchese:** I understand all that.

**Hon. Ms. Papatello:** —you would anticipate that that would be the kind of discussion we would be having if we consider those to be quality markers.

**Mr. Marchese:** But I'm worried because you're not talking about capping. It's not there. All we have in Bill 78 is something that talks about maximum average class sizes, which we had under the Tories, but I don't know what it means because it's not yet defined. All I know is that capping is not talked about, even though you and the former minister and your Premier talk about capping all the time. If I don't see it, it means it's not there.

**Hon. Ms. Papatello:** Well, I'm happy to take recommendations from you as to what should be included in regulation. If you'd like to make a submission on including the capping in regulation, I'm happy to see that from you.

**Mr. Marchese:** I think, given that it's important to you, and you're the government, you'd better consider that. I'm raising the flag. You're the minister; it's up to you to prove me wrong and prove to me that you're genuinely interested in capping and that you're going to achieve it, as you promised.

Let me get to the issue of autism, because we've raised a number of questions vis-à-vis that and I have a lot of questions in this regard. First of all, just a general statement: the government has been fighting with parents

of children suffering from autism spectrum disorder. I'll refer to autism spectrum disorder as ASD so I don't have to spell it out every time. For some time now, in an effort to limit and deny treatment to needy children, as well as going to court to deal with the problem, the ministry has come up with the concept of ASD consultants to meet the needs of autistic children. I'm going to be focusing on the ASD consultants to meet the needs of autistic children. Could the minister please tell us why the funding for the ASD program was capped at \$22 million?

**The Chair:** Deputy?

**Mr. Levin:** I believe that program is under the Ministry of Children and Youth Services—the consultants.

**Mr. Marchese:** While that is true, it is equally true that—let me just find the line for you—

**The Chair:** Ms. Naylor, can you identify the line?

**Mr. Marchese:** No, I'm looking for the line that simply says that the Ministry of Children and Youth Services and the Ministry of Education are doing this jointly. So it isn't something that that ministry is doing on their own; they have joint responsibility. I was looking for the document that speaks to that. Would you confirm that?

**Mr. Levin:** Well, it's joint in the sense that the consultants, who are funded through the Ministry of Children and Youth Services, work closely with schools. Those consultants are in schools, working with teachers and principals, but the financial responsibility for them is in the Ministry of Children and Youth Services.

**Mr. Marchese:** So when I ask whether this \$22 million that was capped arrived at because of an evidence-based needs assessment in the province, you wouldn't be able to answer it?

**Mr. Levin:** No, I would not.

**Mr. Marchese:** Does the ministry have an interest in understanding that?

**Mr. Levin:** We've had many and ongoing discussions with the Ministry of Children and Youth Services and with a variety of autism service organizations such as the Geneva Centre around how we can most effectively support families and children with autism, preschool and in school. I think some significant progress has been made on that front, but I'm sure everyone would recognize that there are still concerns and issues.

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**Mr. Marchese:** Oh, absolutely. I'm about to get to them. The final report, which I've got here in my hands—and it's tabbed—of the implementation working group school support team, autism spectrum disorder, claims that this funding, the \$22 million, works out to be one ASD consultant for every 30 autistic children in the province. So this report, which worked on this file, says that the \$22 million means you have one ASD consultant for every 30 autistic children in the province, and we know how complicated it is to deal with and teach children who have autism. How is that ratio supposed to meet the needs of one of the most high-needs groups in the province, and is this process intended to replace the IBI—which stands for intensive behavioural interven-



tion—which the government doesn't want to fund past the age of six?

**Mr. Levin:** I don't know that I can answer that question except to say that there has been a considerable expansion of services for autistic children and families over the last three years, so the whole development of the school consultants is a new development. They are providing a very valuable service to schools. They are helping to result in the improvement to services for autistic children. But as I said, anyone who works in this field or knows people with autistic children recognizes that there are some very significant challenges, and no one would argue that everything has been done.

**Mr. Marchese:** Okay. I was talking about the ratio of one ASD consultant for every 30 autistic children in the province. I know it's difficult for you to tackle that one, but I can tell you, as a former teacher, it's really tough. Who gets the funding for ASD programs and how are they held accountable? Do you know that?

**Mr. Levin:** It depends what funding you mean.

**Mr. Marchese:** We're still talking about this \$22 million that goes for ASD programming.

**Mr. Levin:** No, again, that's children and youth services money, so I'm not familiar with how they're allocating it.

**Mr. Marchese:** So you wouldn't know what the yearly average salary for ASD consultants is either.

**Mr. Levin:** No.

**Mr. Marchese:** And you wouldn't know what specific qualifications an ASD consultant needs to get the job.

**Mr. Levin:** I'm afraid not.

**Mr. Marchese:** Does the ministry oversee the qualifications and hiring of ASD consultants at all?

**Mr. Levin:** Our ministry? No.

**Mr. Marchese:** What role do school boards play in the hiring and deployment of ASD consultants?

**Mr. Levin:** I don't believe school boards play a role in that; I believe it's done through third parties.

**Mr. Marchese:** The role of ASD consultants does not seem to be clearly defined, from what I know. Sorry to put you on the spot, Deputy, but can the minister or the deputy define for us what these people are supposed to do?

**Mr. Levin:** In a general sense, the role of the consultants is to support schools and teachers in trying to provide effective services for children with autism or autism spectrum. That could take a variety of different forms, and my understanding is, it does take a variety of different forms in different parts of the province, depending on the views of school divisions, the third parties that they're dealing with—a variety of factors.

I think autism is a field in which we still have a huge amount to learn about what effective service is and how to provide it, and in my view it's quite appropriate to have a variety of different modalities as we try to learn what works.

**Mr. Marchese:** You're absolutely right, except the problem is that the program will not provide direct

services to children and youth with ASD. They do not provide direct programming. You acknowledge that.

**Mr. Levin:** Yes.

**Mr. Marchese:** This means that ASD consultants are not in the classrooms.

**Mr. Levin:** They are in classrooms working with teachers—at least in some cases they are. The consultants would be working, in some cases, directly with teachers.

**Mr. Marchese:** In the classroom?

**Mr. Levin:** In the classroom in the sense of working with a classroom teacher. Whether that actually takes place in a classroom, I don't know.

**Mr. Marchese:** As far as I know, it doesn't, which presents a problem, because I don't really know what they're doing. I don't really know whether they're getting out to the teachers. I don't know whether the teachers are talking to the ASD consultants. I don't know what direct service they're providing. If they don't have a direct connection to the students, what it means to me is that ASD consultants have no basis upon which to determine the feasibility of options within the regular classroom. Does that present a problem for you, as the deputy?

**Mr. Levin:** As I said, we are trying to sort out how best to service autistic children. I think there would be a strong view in many parts of the special education community and the special education research community that a central challenge is to increase the capacity of classroom teachers to teach effectively a more diverse group of learners, which could include many children with ASD. Anything we can do that helps classroom teachers be more effective with the range of learners is, in my view, good education policy and practice.

**Mr. Marchese:** You're absolutely right, except that the problem is, for the \$22 million, all we've got is one ASD consultant for every 30 autistic children.

**The Chair:** Deputy?

**Mr. Marchese:** I just wanted them to work out whatever. So you've got one ASD consultant for every 30 autistic children in the province. Everyone in the educational field understands how difficult it is to teach a regular classroom, where you have 20, 22, 24, 30, 34 at the elementary grades, including special education children who may not even be autistic, let alone having children who are autistic in the regular classroom. You've got one consultant for every 30 autistic children. How is it that we can increase the capacity of these teachers to deal with all these problems that they have? Do you think it's happening?

**Mr. Levin:** Yes. Whether it's happening as quickly and as fully as one might like, I'm sure is arguable. But I have, I must confess, only anecdotal evidence on this, and the anecdotal evidence I have is that, at least in some places, that works quite well. It's uneven across the province.

**Mr. Marchese:** You're obviously getting some information. Do they provide you a report on how things are going? Does the Ministry of Children and Youth Services actually have a report that they share with you to say, "This is what we're doing. This is how much we're



getting paid. This is who it is; they're teachers, they're not"? Do you get that information?

**Mr. Levin:** I have not seen that. I'm sure the Ministry of Children and Youth Services could provide that information. But we meet with them regularly, at my level with my colleague, and then at the staff level, the director level and the working staff level, to try to make sure that the services are coordinated and as effective as we can make them.

**Mr. Marchese:** Given that you have joint responsibility in this file, can I ask, through you, to request of them that we get a report to answer all these questions that we couldn't answer today, including the few that I'm going to ask next?

**Mr. Levin:** I'm only too happy to pass on a request to my colleague in children and youth services.

**Mr. Marchese:** Pass on and get?

**The Chair:** Mr. Marchese, could I ask a technical question?

**Mr. Marchese:** Sure.

**The Chair:** Earlier, Deputy, you responded that the money, the \$22 million, came from the ministry. Is that a transfer from the other ministry to your ministry or do you fund the program?

**Mr. Levin:** No, they fund the program; it's in their budget. We have no responsibility directly for that \$22 million.

**The Chair:** The only reason I'm asking that is, when we do these estimates we will pursue the questions that Mr. Marchese has asked. Are you satisfied that the \$22 million that they're spending is being spent in your schools—in your school boards, to be more specific?

**Mr. Levin:** As far as I know, having no direct responsibility for those funds, which is why I want to qualify that, that money is being spent to provide support services to schools to serve children with autism spectrum.

**The Chair:** Thank you. Thank you, Mr. Marchese.

**Mr. Marchese:** The reason we're asking all these questions is because what we know from this report is that they provide support for school board staff. That's all we know. The ministry often makes this claim about how much money we're spending. We have no clue how it's being spent or whether it's having an effect. We have no evidence-based kind of analysis—the ministry is fond of talking in terms of evidence-based—in terms of knowing whether this money is actually doing anything.

**Hon. Ms. Papatello:** I think it's fair to say that if you were to have a request of the ministry for children to come forward at estimates, had you selected that ministry, that information is likely available to you.

**Mr. Marchese:** Sure. I understood—

**Hon. Ms. Papatello:** And you also realize that some of the programming has begun this year and/or started last year and is in full implementation this year. More and more information is becoming available as these programs are becoming implemented.

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**Mr. Marchese:** All I'm saying is that because it's a joint program, I was asking the deputy to get this report. I

think we are all interested in knowing, because it is an education issue.

Are we aware of whether the ASD consultants are present at the identification policy review committees?

**Mr. Levin:** I don't know that, but I would be surprised if that were the case. Normally a consultant would be called in after an identification has been made. But I don't know that; that's an assumption on my part.

**Mr. Marchese:** Okay. That would be a question we're asking.

All I wanted to say by way of all of the questions, for which we hope to have answers, is that this program is a very, very poor substitute for the intensive therapy that students need. I think it does little to assist the parents of ASD children or those who work with them on a daily basis. I profoundly believe that. That's why I hope we're going to get this report, so it can help me and you to determine whether this \$22 million that is going there is actually doing something useful.

I wanted to touch on the issue of capital funding. Your investigator for the Dufferin–Peel Catholic board asks, where are the school closure guidelines the minister has supposedly been working on?

**Hon. Ms. Papatello:** They are currently under review. Obviously, as a new minister in the ministry, I am doing a review of all the items that were in midstream or prepared to go, so that I have a comfort level with them. I'm not prepared to release that type of policy yet, and there is still more work to be done.

**Mr. Marchese:** Right. When the government got elected, they brought in a moratorium. Then they said they were going to do a review. Is it fair to say that we've now been doing this review for the last two years?

**The Chair:** Minister?

**Mr. Marchese:** Or the deputy, because you weren't there.

**Hon. Ms. Papatello:** I can't speak for the former, but regardless of what has happened in the last two years, I can tell you that I wasn't comfortable on some of it. Even if it's just pending and ready to go, as the new minister I need to get a handle on all the level of detail, because you realize that those capital items have everything to do, for example, with how it relates to grants, and boards are currently waiting for their 2006-07 grants. We need to finalize items and policy as we prepare our grants for this year.

**Mr. Marchese:** When do you think you might have those guidelines ready?

**Hon. Ms. Papatello:** It's hard to say, but they would have been at a minimum of 10 hours earlier without the estimates committee.

**Mr. Marchese:** So if you weren't here, you would have been able to prepare them in a week?

**Hon. Ms. Papatello:** At least 10 hours earlier, yes.

**Mr. Marchese:** Given that maybe we've been here too long, in your view, your sense is that as soon as we're done, it might take possibly two weeks, or have we delayed you so long that we might not be able to recover?

**Hon. Ms. Pupatello:** That, and the preparation just to be here at estimates, you can imagine, has taken up an enormous amount of my time. I can't tell you when with any sort of exactness—it's going to be done—but I can tell you that there has been some significant review. We've also asked, in the area of capital, boards to propose to us five-year capital—

**Mr. Marchese:** I'm getting to that. I know that too.

We hope that these guidelines will appear soon. I speak on behalf of so many who have been waiting patiently in the north, the south, the west and the east. I know that you'll get on to it.

On a related note, the Ontario Catholic trustees note in their January submission to your ministry the following: "The March 18 B memo provided additional information with respect to allocations for school repairs under the Good Places to Learn initiative and included timelines for the Good Places to learn policy. According to the B memo, final school closure guidelines and school valuation templates, along with guidelines for the capital process, were to be provided to school boards during the spring of 2005. Long-term capital plans were to be submitted to the ministry in October 2005. These guidelines and related templates have yet to be received by school boards."

When will these templates be provided to the boards, and why have they been delayed? I understand you weren't there—

**Hon. Ms. Pupatello:** My deputy is happy to give you a little bit of background.

**Mr. Marchese:** That's what I was thinking.

**Mr. Levin:** Of course, some of this happened before I came to Ontario and became deputy minister, but I think there has been some progress in some areas on the capital front related to closings, although we do understand that boards have been waiting for some time for the actual guidelines. There were draft guidelines released with Good Places to Learn last spring, so those provided at least a sense of direction to boards, and a number of boards have in fact been proceeding with various accommodation reviews.

In the Good Places to Learn document, a very fundamental change was made in capital policy, in the change in the new pupil places funding, which formerly provided, in some cases, an incentive for boards to close schools in order to receive funds to build new schools. That incentive was removed. That decision in itself changed the economics and therefore the nature of the decisions boards would want to make about closings. Many boards were quite well along in processes in which, through accommodation reviews and through recommendations from external consultants, for example, they were proposing to close 25% or 30% of all their schools as a way of generating funds to build a much smaller number of new schools. As of last February-March, that became moot and, in a number of cases, boards had to start over that process.

The capital planning process is quite well advanced. Capital plans have taken longer for boards to prepare. It

took longer for the ministry to produce the guidelines for capital planning than we had anticipated, in fairness. It has also taken significantly longer for boards to prepare capital plans as they've discovered the complexities of trying to sort out how to think about their accommodation needs over the long term.

**Mr. Marchese:** Let me ask you this: The former minister announced \$275 million for capital projects, which is essentially paying for the mortgage for these projects over a 25-year period. What I know you have spent so far in the last two and a half years, going close to three years, is \$75 million, which amounts to, more or less, 20% of all the school needs that were identified in 2002-03, which was an entire Ontario board review of their capital plans. It was quite thorough. So what you've spent so far is \$75 million out of that \$275 million promised, for which the government, the former minister, Liberal members, are continually saying, "We're spending \$4 billion on capital projects." What we know is that you've spent \$75 million, we believe, so far, which constitutes approximately, more or less, about \$1 billion worth of capital projects. So we've only achieved 20% of that capital expense program plan.

Given that boards did that thorough review in 2002-03, when Ms. Naylor was there—and they all know they have to have the shovel in the ground in order to get the money; they all know this—why is it that we now have asked them for another five-year review, which means to me we don't know what other money may come the following year, which means that in three years all we've spent so far is \$75 million? What are we doing?

**Mr. Levin:** You won't be surprised to learn I wouldn't quite characterize it that way. I think the recap exercise in 2002-03 was not a capital plan in the same sense; it was a review of the actual condition of each school.

**Mr. Marchese:** Yes.

**Mr. Levin:** As far as I know, we did not ask boards in 2002-03 to do a capital plan projecting their enrolment and building needs. We asked them to look at their existing buildings, and not just them; we actually had an independent firm go through every school building in Ontario and assess its condition. On that basis, the first stage of the Good Places to Learn capital renewal money was released last spring. That was to fund about \$1 billion, as you quite correctly point out—

**Mr. Marchese:** It was \$75 million.

**Mr. Levin:** Yes—of the most high and urgent needs that had been identified in the recap assessment in 2002-03. It didn't, of course, fund all of those needs—

**Mr. Marchese:** We know that.

**Mr. Levin:** —it funded a portion of them. As it turned out, the boards could not usefully do all that work in the first year. We did not want, for example, to be driving up the price of roofing by having every board in the province trying to re-roof all its schools in the same year, so we did say to boards from the very beginning, "Use the money judiciously. Get done this year what you can reasonably get done." Some boards already have projects



planned, could not add more projects, and, "You'll keep the money and you'll be able to use it in the future."

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**Mr. Marchese:** Sure, but the point you made—and I thought I was clear, and we're both in the same kind of direction—is that 2002-03 identified really urgent needs, something that's got to be done right, right now, and then identifies all the other repairs and rebuilding that have to be done. That, to me, is a plan that says, "Here are the problems." So we could move, and what I hear you saying is that boards could not do the work in the first year. Why not?

**Mr. Levin:** For several reasons: (1) because of the availability of contractors, and (2) because by the time those funds were released—that announcement was made in February of 2005, I think—in some boards they already had a plan for capital projects in the summer, so their maintenance staff was occupied and they were planning work on certain schools with their other capital funds.

**Mr. Marchese:** You said there would be templates. These guidelines and templates have not been released. We're still waiting. Did I hear you answer when these templates are coming, the guidelines and templates?

**Mr. Levin:** Do you mean the school closing guidelines? The minister had already answered that question.

**Mr. Marchese:** The capital programming guidelines—

**Mr. Levin:** We've provided guidelines. Ms. Naylor can speak to this in much more detail, but we have provided guidelines to boards for capital plans, and we have indeed received a substantial number of capital plans.

**Mr. Marchese:** The long-term capital plans were to be submitted to the ministry by the school boards in October 2005. Do we have them?

**Mr. Levin:** That was the plan in the spring of 2005. In fact, it turned out to be more complicated to produce the templates, so those did not come out in time for boards to submit by October.

**Mr. Marchese:** Do we have them now?

**Mr. Levin:** I'll ask Ms. Naylor how many we have of the capital plans we have had submitted from boards.

**Ms. Naylor:** We have about half of them in now.

**Mr. Marchese:** We have half, so we need to wait for the other half?

**Ms. Naylor:** The boards are submitting them—

**Mr. Marchese:** Slowly.

**Ms. Naylor:** Yes.

**Mr. Marchese:** Do they have a timeline or deadline, or are they just trickling in on their own?

**Ms. Naylor:** We're working with the boards who have more complex plans. In general, we know when we expect them; we expect most of them by May and June.

*Interjection.*

**Mr. Marchese:** I want to get to you. Don't worry, we will.

Can we begin on capital projects without having the rest of—we can? Are we?

**Ms. Naylor:** Yes.

**The Chair:** Ms. Naylor—

**Mr. Marchese:** She said yes.

**The Chair:** —for Hansard purposes a nod really doesn't work well, so if we can just say a clear "yes" or "no," that would be great.

**Mr. Marchese:** Very good. So we've spent \$75 million, half of the boards have submitted their long-term capital plans, we're not waiting for all of them to move, so we are proceeding. So the guidelines and related templates—have school boards received the templates them, or not yet?

**Ms. Naylor:** Yes, they have. It's a guideline in terms of submitting their capital plans, so we've asked for information about their capital plans in a number of areas; for example, their capital—

**Mr. Marchese:** So the guidelines are there and the school boards are responding?

**Ms. Naylor:** That's correct.

**Mr. Marchese:** So when can we expect the next phase of the capital project announcements out of that \$275 million?

**Hon. Ms. Papatello:** I think it's fair to say that in the next several weeks there will be several announcements, the largest of which is the grants for 2006-07. Some information will be embedded with the grant announcement, some information will come out in advance and some afterwards. But there will be a series of pieces of information coming out over the next several weeks.

**Mr. Marchese:** I see.

Previously we asked for a school-by-school list of expenditures under the stage 1 initiative for capital expenditures, "previously" meaning the last time.

**Hon. Ms. Papatello:** At estimates committee?

**Mr. Marchese:** A school list of expenditures under the stage 1 initiative. Minister Kennedy promised it on November 2 last year and claimed they had an excellent project-by-project database; that's what he said to us. Given that the former minister said they had an excellent database, given that we requested this last year, is it possible to get these data now?

**Hon. Ms. Papatello:** I believe that you were provided with all of this information before this estimates committee began with education.

**Mr. Marchese:** You provided this data?

**Hon. Ms. Papatello:** We tabled information for you.

**Mr. Levin:** Two weeks ago, approximately.

**Mr. Marchese:** On this issue?

**Mr. Levin:** Yes. I believe there is a board-by-board listing of all the projects.

**Mr. Marchese:** Do you have that, Frank? Do you have it, Chair?

**The Chair:** We're checking on that immediately.

**Mr. Marchese:** Okay.

**The Chair:** Mr. Marchese, sorry to interrupt. Deputy, the answers to those questions we're looking for, have they arrived yet?

**Mr. Levin:** No.



**The Chair:** Can I take a five-minute recess and allow you to call your office and find out where they are?

**Mr. Levin:** Certainly.

*The committee recessed from 1645 to 1652.*

**The Chair:** The committee reconvenes now. Mr. Marchese, thank you for your patience.

**Mr. Marchese:** I appreciate the fact that the ministry did send me the board-by-board breakdown. I was asking for the school-by-school, and I understand from the deputy, Ms. Naylor, that it can be made available to me. Thank you.

Former Minister Kennedy claimed on November 15 that all 120 prohibitive-to-repair schools would be going by "next year." That's what he said last year. By that, we mean they'd be repaired. We would like a current list of all of the 120 schools and the progress to date.

**Hon. Ms. Papatello:** If you would be prepared to wait, as we get into the summer, because of construction season, we'll have a much greater list for you as we move through this spring and summer, because with a number of the projects, as you know, they'll do a lot of the planning etc., but the actual construction begins this spring. So, depending on how fulsome a list you'd like, if you wait until the fall, the list will be even longer. We'll prepare for you what is currently available.

**Mr. Marchese:** Exactly. If you—

**Hon. Ms. Papatello:** But if you want all of it, we're happy to do that too.

**Mr. Marchese:** I want all of it, except I'd like whatever you've got now, and whatever you're going to have later would be great to have; two separate occasions.

That's it for my questions. Thank you.

**The Chair:** Now, in accordance with a request made by the committee—and I recognize that they are present with us today—I'd like to call Marilyn Laframboise, the chair of the council of the Ontario College of Teachers, and Doug Wilson, the registrar and chief executive officer, if they could come to the forefront.

**Mr. Wilkinson:** Is it back to our rotation?

**The Chair:** No. By prior agreement, when we'd always reserve the time for Mr. Klees to use—

**Mr. Wilkinson:** I agree, but were we done this rotation?

**The Chair:** No. The rotation was off when you yielded, and Mr. Klees agreed—

**Mr. Marchese:** Mr. Chair—

**The Chair:** I'm answering one question at a time.

**Mr. Wilkinson:** I thought the government went last.

**The Chair:** This time has been reserved by Mr. Klees. He yielded his time in order to get it. We'll make sure you get the equity of your time, but the rotation will skip to Mr. Klees.

**Mr. Wilkinson:** I just had a question—

**The Chair:** That's helpful to me. Do you have questions for this group?

**Mr. Wilkinson:** Yes, I do, of the minister.

**The Chair:** All right.

**Mr. Wilkinson:** Minister—

**The Chair:** Excuse me, Mr. Wilkinson. We have invited guests here. We will just be dealing with them, for as much time as the committee wishes. How much time do you wish to discuss with the college of teachers, who are here before us? I don't want to hold them here longer than they need to be.

**Mr. Wilkinson:** I have one question to the minister that will take a minute. I thought it was my turn to ask a question. I just thought—boom, boom—our turn to ask a question of the minister.

**The Chair:** I'm in the committee's hands. If Mr. Wilkinson has a brief question, that's fine. I've got Mr. Klees. They are here for up to one hour. You do not have any questions for them?

**Mr. Wilkinson:** It will come back to us and we'll decide that. Yes, sir.

**The Chair:** No. Mr. Klees can use the full hour if he chooses. He has that much time left.

**Mr. Wilkinson:** But we do have a vote coming on our opposition day motion.

**The Chair:** That is correct, but he will use—unless you say to me, "We have questions," there isn't a rotation.

**Mr. Wilkinson:** We do not have questions for the college.

**The Chair:** Mr. Marchese?

**Mr. Marchese:** I have no questions.

**The Chair:** Okay. So when Mr. Klees is finished with his questions, then we can thank our guests and they can go. Is that agreed? That's how I've always done it, and that's the way I want to continue to do it.

**Mr. Marchese:** Mr. Chair, can I ask—I think Mr. Wilkinson wants to ask the question of the minister before the college speaks.

**The Chair:** That's fine. I have no problem with that.

**Mr. Marchese:** Is that what you want?

**Mr. Wilkinson:** Yes.

**The Chair:** I just want to get all the questions and clarification done and not disrupt the flow here. So we're clear on what we're about to do?

**Mr. Wilkinson:** Yup.

**The Chair:** Mr. Wilkinson, please ask your brief question.

**Mr. Wilkinson:** Minister, I had a chance to look at the estimates, and I do not see an estimate line for the college of teachers. Are they an estimate line in your estimates?

**Hon. Ms. Papatello:** There is no appropriation line from the Ministry of Education to the college. We do not turn over any funding to the college, nor are they part of any of the ministry budget. So it's quite interesting that this committee chooses to call the college, as a function of the Ministry of Education, for estimates, because it's totally separate. They could easily call the college and ask them to come and have a meeting in their offices, for all the difference that is. It's totally unaffiliated.

**Mr. Wilkinson:** And do you, as the Minister of Education, have any influence as to how their money is spent at the college?

**Hon. Ms. Pupatello:** No, we don't. The college has its own funding and spends its own money.

**Mr. Wilkinson:** Thank you.

**The Chair:** Mr. Zimmer?

**Mr. David Zimmer (Willowdale):** That being the case, that's there's no funding relationship in terms of estimates between the ministry and the college, then I assume the minister can be excused at this time.

**The Chair:** Which?

**Mr. Zimmer:** The minister can leave now, be excused.

**The Chair:** If she wishes to, she can, and when we're finished with the college, if she's available, that'd be great.

**Hon. Ms. Pupatello:** I'm happy to use up the estimates time to allow the college to come before the committee.

**Mr. Marchese:** Mr. Klees has asked for an hour.

**The Chair:** Well, we're not even going to get a full hour, because we have a vote tonight and we're aware of it. But I think it's clear. If we're ready to proceed—if Mr. Klees is going to use his full time and the minister wishes to leave, then that's fine.

**Mr. Klees:** Chair, I have no problem with the minister leaving. She hasn't answered questions in the time she's been here—

**The Chair:** Let's just deal with whether or not you need her to be here.

**Mr. Klees:** I'm happy to have her leave.

**Hon. Ms. Pupatello:** As long as I'm making you happy. That's why I'm here, as you know.

1700

**The Chair:** The only thing I'm going to ask is, if Mr. Klees is finished at a certain time, then the committee will be comfortable if we just adjourn at that time? Okay.

Wait a minute. Ms. Naylor, your attendance is required, because we may have technical questions, and you are still there. The person wishing to ask the questions—Mr. Klees has not said he needed the minister here, but the presence of the deputy or support staff is required, in the event that there are technical questions that may flow from the discussions. Thank you.

Ms. Laframboise and Mr. Wilson, please come forward, be comfortable. Any chair there is fine. First of all, let me thank both of you for attending today at the request of the committee, through a request made by Mr. Klees. Do you have an opening statement you'd like to make? No? I will now call upon Mr. Klees.

**Mr. Klees:** First, let me thank you for being here. My purpose in inviting you is very straightforward. I believe the Ontario College of Teachers is a very important institution in this province. It has an important history in terms of coming to be. It has profound responsibilities in the education system. While it may not have a line item in the ministry, it is incredibly important to ensuring that we have a quality education system in this province. You, Madam Chair, as the chair and the registrar, have leadership roles. It's important for me to know the direction of the college and what is happening in terms of its over-

sight. I think it's important that the public have an understanding of your role as well and the effectiveness with which your work is being carried out. It's for that reason that I want to dedicate this time to asking you some questions. It's for my own enlightenment and, I think, that of the broader constituency as well.

I'd like to start off by addressing some specific questions to the chair of the college. I wonder if you could just set the stage for us by describing to us what your responsibility is as the chair of the college of teachers.

**The Chair:** Ms. Laframboise, please introduce yourself for your first time commenting, and the same with Mr. Wilson, for Hansard.

**Ms. Marilyn Laframboise:** Marilyn Laframboise, chair of the college of teachers. Your question is a very interesting one, Mr. Klees, as I'm sure you can appreciate. As chair of council, I am the leader of the council of the college. As you know, the council is composed of 17 elected members and 14 appointed members. We deal with the issues for which the college is responsible: the certification of teachers in this province, the discipline of teachers in this province, and the accreditation of the providers of pre-service and in-service training to our teachers as well. All of this is done in the public interest, so we spend a great deal of time looking at those issues. The college is also responsible for the standards of practice for the teaching profession. In its now almost nine-year history, we moved in this province from having no stated standards of practice to having standards that were developed through consultation with our members and which have recently been reviewed. Very shortly, in June, we'll be looking at the reviewed standards. We thought it was important to go out to the teachers to find out what they think they want to see in terms of standards of practice, and they were very, very eloquent in terms of their submissions to us, in terms of their participation.

It's very key. I think everyone knows something about teachers, because we all spent a lot of time in schools, but it's a source of pride for the college to have been able to bring forward those standards so that everyone, every Ontarian, can see, "This is what it means to be a teacher in Ontario," and, further to that, the importance that we place on being able to assure the public that if a teacher is licensed, they're capable of doing the job they've been hired to do. That's an awesome responsibility that we take very seriously.

**Mr. Klees:** To the registrar: I wonder if you would kindly explain to us your role at the college, please.

**Mr. Doug Wilson:** Doug Wilson, registrar and chief executive officer of the Ontario College of Teachers. I'm the administrator at the college, responsible for the day-to-day running of the college. I'm also responsible and accountable to the council in terms of their policy-making abilities. Council meets four times a year, and it's our responsibility to provide council with alternatives to the issues we are addressing. I'm also a non-voting member of council; it's a unique situation that was put in the Ontario College of Teachers Act in 1996.

**Mr. Klees:** Ms. Laframboise, is your position a full-time position?



**Ms. Laframboise:** No, it isn't, not currently, although you may be aware that council did make a request of the minister that the legislation be amended so that council itself could make the decision as to whether the chair ought to be full-time.

For the first two and a half years of my mandate as chair of council, essentially I was in Toronto when I had meetings. The rest of the time I was teaching in my home school. Since the beginning of February, I have been teaching in my school one day per week and have been in the service of the college for the other four days. Council is hoping that the position will be full-time from September to the end of my term, which would be November 8, and they're hoping to be given the mandate to make the decision as to whether the chair should be a full-time position.

**Mr. Klees:** So the decision that the chair should be full-time has not been made?

**Ms. Laframboise:** I'm sorry?

**Mr. Klees:** It has not been made. There has been no decision by the council that your position should be full-time. Do I understand that correctly?

**Ms. Laframboise:** Not quite. Council did move and pass a motion that the chair's position be a full-time position; however, our legal advisers indicated that we may require a slight change to the legislation in order for that to happen. My understanding is that it relates to the language in the legislation that provides for paying the employer for the absence of any member of council. As it now stands, the board would receive replacement cost for any member of council.

**Mr. Klees:** I understand that the letter that was sent to the minister, dated August 2, 2005, specifically asked the minister for that change in legislation.

**Ms. Laframboise:** That's correct.

**Mr. Klees:** Have you heard back from the minister as to whether or not the minister supports that change in legislation?

**Ms. Laframboise:** No.

**Mr. Klees:** Notwithstanding that, you're saying that a motion was passed by council to make the position full-time. Is that correct?

**Ms. Laframboise:** That's correct.

**Mr. Klees:** I'd be interested in your view as to the appropriateness of that. One would think that one would get the legislative authority to do that before actually taking it upon oneself to pass a resolution. I'd like your comments, please.

**Ms. Laframboise:** Certainly. I'd be happy to make them. When council made the decision to move in this direction, it was following, once again, some extensive consultation with our members. While I appreciate your comments, I'm hoping that you can also appreciate that, from our perspective, it is helpful to be able to state to the minister that council has in fact considered this and this is where they want to go; therefore, we're asking you to make a change to the legislation in order to permit that.

**Mr. Klees:** Have you had any indication from the minister's office as to whether they will accommodate a change in the legislation?

**Ms. Laframboise:** We didn't see any changes in the bill.

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**Mr. Klees:** So what is your next step?

**Ms. Laframboise:** I'm hoping to have an opportunity to meet with the new Minister of Education and raise the issue with her.

**Mr. Klees:** I think the registrar indicated that the council meets four times a year. Who chairs those meetings?

**Ms. Laframboise:** I'm the chair of council, but we have speakers who facilitate the workings of the council.

**Mr. Klees:** So you do not chair the meetings?

**Ms. Laframboise:** Not in the terms of "chair" that I think you are thinking of.

**Mr. Klees:** Can you help me to understand what prompted this move of the council requesting a full-time chair? Was there a review of the task of the chair? Were there specific recommendations that were considered—time you are spending at this job such that it has expanded into a full-time position?

**Ms. Laframboise:** Certainly. Council struck an ad hoc committee to study the question of a full-time chair. In fact, they looked at both the chair and the vice-chair positions to determine whether it would be appropriate to move in that direction.

One of the things we learned from our members through the many consultations that have occurred on the governance issue, on the standards of practice issue, etc., was that it was very clear that members felt they didn't know enough about the college. It was a criticism we listened to very carefully. When we were out speaking to our members, we asked them, "What would help?" One of the things they said was, "We need to know who the people are."

One of the things I noticed when I would go out to these consultation sessions—and I had the opportunity to go to a few—was that when I would present myself to them, they were quite surprised to see that I was just a regular teacher like they were. They were really quite pleased to see that the college wasn't necessarily this large, bureaucratic organization in Toronto and that in fact there were teachers from all over the province who sat on the council and were making decisions for them. We heard a lot of comments about how the college is misunderstood, how it's not clear to people why the college is there and what its responsibilities are.

The ad hoc committee that studied the whole question of the full-time chair looked at how we can resolve some of these issues, how we can essentially bring the college out to the members, because, being in Toronto, you can't always bring members in to the college, and I think you can appreciate that.

One of the issues that was foremost in the minds of the committee was outreach and providing opportunities for the chair to actually go out and meet with more of our members to find out what we can do to help them better understand the college.



We have a very short history, as you know. We've only been in the business for the past nine years. Some of our existence has been coloured with a great deal of controversy, as I'm sure you can remember, and the committee felt strongly that we need to find a way to reach out to our 200,000 members, most of whom would never have any contact with the college, other than getting their membership card in the mail once a year. We knew that we needed to do more. When the committee considered what the responsibility of the chair would be, outreach became very important, realizing that in order to do that meant a great deal of time.

That, I think, was one of the driving forces. Also, there's a belief that, given the responsibility that council has for oversight in terms of everything that goes on at the college—ultimately, it is the council that is responsible—it would be important to have the elected head of the organization closer to what goes on on a day-to-day basis, and they felt quite strongly about that as well, not based on any lack of trust, but based more on transparency and feeling most confident that their elected leader was very aware of everything that goes on at the college, why decisions are made, how decisions are made and in what way council needs to become more involved in those decisions.

**Mr. Klees:** You referred to the term "their elected leader." Is that how you see yourself? Is that your role? Are you describing yourself there?

**Ms. Laframboise:** I'm the leader of council, yes. I am the political person. The 31 members of council are political people, and I was elected by that group to be their leader.

**Mr. Klees:** I see. So it's the council that made the decision?

**Ms. Laframboise:** That's correct.

**Mr. Klees:** Okay. Essentially, what I hear you saying is that your primary responsibility as a full-time chair would be to get the message out about what the college does, to put a face to the college and to do public relations and communications kinds of work; is that right?

**Ms. Laframboise:** That would be a large part of it. Also, the chair of council is expected to sit on committees. As you know, most of the work of the college, in terms of council, is done by various committees, and all members of council share those responsibilities as equitably as possible, given various positions. So the chair also sits on a number of committees.

**Mr. Klees:** Okay. How do you get paid? Do you get a per diem, or is it a salary?

**Ms. Laframboise:** I receive my salary from my school board, and the school board bills the college of teachers. So I'm paid according to what I am paid on my grid for my particular board.

**Mr. Klees:** I'm confused now. You're not getting a full-time salary for being on the board—

**Ms. Laframboise:** From the college, no. I get my full-time salary from my board.

**Mr. Klees:** And the college pays the board?

**Ms. Laframboise:** For when I am in service to the college, yes.

**Mr. Klees:** Is that done on a per diem basis? Just so I understand, because you're not full-time and so there would be—perhaps the registrar could explain how that works.

**Ms. Laframboise:** I'm going to ask the registrar to explain that.

**Mr. Wilson:** It is on a per diem basis, yes. School boards invoice us anywhere between every month and every six months.

**Mr. Klees:** What does that work out to currently, if you extrapolate it over the next 12 months? Would it be 100%? It sounds as though you're spending a lot of time.

**The Chair:** Mr. Klees, there are some privacy issues that we will undertake here. If you're asking for a global number of what the transfers are, I think that's quite in order. But if the chair wishes to disclose her salary, that's her personal business.

**Mr. Klees:** Well, it's the college of teachers, which is a very public organization. The reason I'm asking the question is that I would expect that that might be information that's available. However, I won't pursue that.

Essentially, could I ask what percentage of your current grid salary might be payable by the college currently?

**Ms. Laframboise:** Since the beginning of February, 80%.

**Mr. Klees:** Eighty per cent?

**Ms. Laframboise:** That's correct.

**Mr. Klees:** Thank you. Does that include benefits, or are benefits in addition to that? How is that handled?

**Mr. Wilson:** They're in addition to that.

**Mr. Klees:** Okay. I find it interesting—as you know, there are some 35 other self-regulatory bodies in the province of Ontario. None of the other regulatory bodies have a full-time chair, and so this is quite unique. I would ask you what might make your circumstances different from the chairs of 35 other regulatory bodies.

**Ms. Laframboise:** We're quite well aware of that, and when the ad hoc committee was examining information, that was one of the things they looked at, and we're quite well aware of that fact. Keeping in mind that the Ontario College of Teachers is the largest regulatory body in Canada, with over 200,000 members, in terms of the amount of work that goes on there is quite a bit to be done.

1720

But I think the other issue as well is that—I'm going to speak very frankly here—the college of teachers has had an image problem from the very beginning. It was brought in at a difficult time, it was brought in in a difficult way and many members feel that it was imposed. Given, however, the important responsibility you alluded to in your opening remarks, I think it's critical at this time, as we enter our 10th year, that we deal head-on with that image problem and that members truly understand what the role is of the Ontario College of Teachers, that we're not in conflict with any other partner in

education, we're not in conflict with the teachers' federations, we're not in conflict with the associations, but we have a key role to play with our members. Council believes that it's crucial, as we enter into our 10th year, that we be given the opportunity, if we choose to do so by releasing the chair on a full-time basis, to deal with those issues and help our members to understand.

I think a regulatory body ought to in fact be a very quiet partner in the education landscape, as the other regulatory bodies are as well. You don't often hear doctors or nurses talk about their regulatory body. Their bodies have the advantage of being around for a very long time. The college of teachers is new. It's misunderstood. That needs to be fixed. I believe that if council thinks, based on the information they have, based on their many, many years of experience in education, that one of the ways to help our members better understand what the role and the responsibilities of the college are is by having a chair who can actually go out and provide some of that clarification, then I think they ought to be permitted to do that. I feel very confident that council, when it makes those types of recommendations, has considered every possible angle.

**Mr. Klees:** Okay. Thank you. Interesting that you use the word "crucial," because I have in front of me here a statement that I want to read to you and get your thoughts about. It's as follows:

"It's crucial to our plan that no one interest group has control of the college, and that all members put aside their own particular perspectives in the service of maintaining the highest professional standards. In the decisions about structure and membership of the college, it must be clear that the college of teachers will be completely separate from and independent of the teachers' federations, whose functions, although occasionally overlapping, are in fact quite distinct." I'll end the quote there.

You're probably familiar with the source of this. It comes out of the Royal Commission on Learning, Dr. Avis Glaze, who is highly esteemed in education circles. I'm sure you know her well. She is now appointed by the minister to a very special task, and I'm sure we all respect her. This really comes from that report. On a number of occasions in the course of the delivery of that Royal Commission on Learning, she referred to this essential independence of this college if in fact it was going to carry out the responsibilities that we discussed.

Do you share the view that it's essential that the college and its council is independent and not affiliated, is not dependent, is not aligned with teachers' federations or other groups?

**Ms. Laframboise:** Absolutely, and I can say that without hesitation. I would also add that I think the past nine years have demonstrated that it is.

**Mr. Klees:** To that end, I want to perhaps move on to Bill 78. You're familiar, no doubt, with the—

**The Chair:** Mr. Klees, I'm going to rule that it would be inappropriate to ask any agency a comment about legislation that is before the House. That's been my

ruling in the past, so I'm not picking this one out of thin air. We're fortunate that the college has agreed to come before us today, but they're not required to get into discussions about legislation which is yet to be reviewed by a committee of this Legislature and debated further in the House. So that would be my ruling.

**Mr. Klees:** Fair enough. Let me put it to you this way, then: In terms of conflict-of-interest provisions, do you believe that there is a possibility that there may well be conflict issues in the way the college currently is established in terms of the requirement of federation members being on this board? What is your view relating to the current weighting, if I can put it that way, of the council? Is it functioning well? Are there potential conflicts? What does the council have in place to guard against conflicts that may arise?

**Ms. Laframboise:** We do have conflict-of-interest guidelines related to any financial gains, obviously. Those are in place and those are quite clear. If I understand your question, it's conflict with regard to other groups that may attempt to influence. Is that correct?

**Mr. Klees:** Yes, that's right.

**Ms. Laframboise:** I certainly would never say that there is never a conflict of interest. We all come to the table with very varied backgrounds. We all come to the table with our own ideas, our own beliefs, so to state that there would never be any conflict of interest I think would be very much overstating the reality. We're dealing with educators. We're dealing with people who come to the table with experience in education or some connection to education, and everyone comes to the table with opinions.

I've always prided myself on my encouraging the importance of debate around the table. I'm the only member of council who's been there since the very beginning. When I look back over the past almost nine years, I'm quite confident that all of the decisions that have been made by council have been in the public interest. Members of council truly understand what that means. I believe they truly understand what it means to be a self-regulatory body. In spite of the fact that we all bring our own experiences to the table, I think that our history and the decisions we have made over the past nine years are a very powerful testament to how seriously all members of council take that duty.

While I agree that there could be a perception of conflict of interest, I think that history and reality would demonstrate that that hasn't been the case around the council table.

**Mr. Klees:** I want to refer to a document that is a report of the secretary-treasurer to the OTF spring board of governors' meeting, April 8. One of the sections deals with the OTF's responsibility of liaising with governing councillors and staff at the Ontario teachers' college. I'm going to read into the record part of that report:

"Our liaison activities with the elected members of the governing council and staff at" the Ontario College of Teachers "have been somewhat infrequent this winter, but nevertheless important. OTF and affiliate staff met



with the OCT councillors who are members of OTF prior to the council meeting of March 30–31, 2006, at which time we examined Bill 78 and its specific impact on the College of Teachers Act. Not surprisingly, the councillors expressed consternation over the conflict-of-interest provisions proposed in the bill and the planned creation of a public interest committee to serve as a watchdog over council.”

I’m interested—would you have been part of that meeting?

**Ms. Laframboise:** Yes.

**Mr. Klees:** And did you share the concern as expressed here regarding the conflict-of-interest committee?

1730

**The Chair:** Mr. Klees, we’re wandering back into this thing again. I just want to be careful and cautious. We have guests here. They’re not compelled to answer these kinds of questions. We do have an all-party legislative committee that can select agencies, boards and commissions for a thorough and absolute review. We have that mechanism. We are walking a very fine line here with the college, which is here voluntarily.

So if you wish to answer, fine, but I think we’re moving into the internal workings, dealing with a piece of legislation that is yet to be before the board. I’m still giving that ruling, but I’m in your hands, Ms. Laframboise. I want to respect your right and your comfort level.

**Mr. Klees:** And, Chair, I want to respect that right too. If the chair chooses to answer, I’m interested in the response; if not, we’ll move on.

**Ms. Laframboise:** I’ve made it clear that I think that our record demonstrates that decisions we have made have been in the public interest. I will stand behind that. I feel very strongly about that.

**Mr. Klees:** It’s interesting; we look at the Ontario Teachers’ Federation website. The reason I’m raising this is because it goes to the issue of independence. I want to believe that this body is independent, because if it’s not, it may as well not exist.

The OTF website states the following under, “It is the responsibility of OTF....

“18(a) to be the co-ordinating agent in the monitoring of the work of the Ontario College of Teachers.

“(b) to hold regular meetings with the elected councillors of the Ontario College of Teachers to:

“(1) discuss directions for the council and college;

“(2) review relevant OTF policies and procedures;

“(3) develop advice to the OTF on college matters; and

“(4) prepare reports to affiliated bodies.”

What interests me about this are these meetings that are taking place with OTF and these elected members to the college, particularly when it refers here to it being a responsibility of OTF to provide direction for the council and the college. I’d be interested in your view as to whether it is appropriate for the OTF, for the teacher unions, to be providing direction to the elected members of this council who have a responsibility, as we talked

about earlier, to make independent decisions in the public interest. It’s the public interest that has to be served by the college.

**Ms. Laframboise:** I think the question is “discuss directions,” and I see a difference between—I believe you read “discuss directions”—

**Mr. Klees:** Yes.

**Ms. Laframboise:**—and I do see a difference between discussing directions and providing directions.

I think that as a classroom teacher I’m very far away from the political world. I do my teaching. I teach my children. I contact my parents. I prepare all of the work that goes along with that. And yet as a member of council I’m expected to come to the table and make some very serious, very important decisions about the teaching profession in the public interest.

I am also a member of the Ontario Teachers’ Federation—I must be, as you know—and I’m proud to be a member of the Ontario Teachers’ Federation. If as a member of council I receive additional information and I’m given an opportunity to talk about some of the issues, I think that can only assist my making a decision at the council table. I can assure you that I’ve never been told by anyone how to do anything. I make my own decisions. While the Ontario Teachers’ Federation may certainly provide me with additional information and they may certainly provide me with an opportunity to talk about some of these issues before we get to the very formal council table, when I vote, I vote what I think is best. I always have and I always will. I cannot speak for other members of council, but I’m quite confident that they do the same.

**Mr. Klees:** The current makeup of the council: How many members in total?

**Ms. Laframboise:** Thirty-one.

**Mr. Klees:** And of the 31, how many are public appointments, non-teachers?

**Ms. Laframboise:** Fourteen.

**Mr. Klees:** Fourteen. And the balance would be, as you describe, classroom teachers? That’s the term that I think the previous Minister of Education used when he discussed it.

**Ms. Laframboise:** Let me clarify. Currently, there are 13 of the 17 elected, which are either system or regional positions. The system positions: That means that to run in that category, you have to be employed within that system. For example, I’m the representative from the French Catholic elementary panel, so I need to be employed within there. There are six regions as well, so you need to live in that region to run there.

In addition to those 13 positions, there is one that is a principal/vice-principal position, so you need to be working as a principal or vice-principal to hold that position. One is a private independent school representative, so again, you need to be employed within that system. One is a faculty of education representative, so you would need to be employed there. The fourth is a supervisory officer position.



To go back to your original question, we could say that 13 would be classroom teachers, and then the other four are defined. In terms of voting as well, only those persons who could hold that position can vote for those positions. That's how those are spelled out.

**Mr. Klees:** When I hear "classroom teacher," I assume that it is someone who does, as you were telling me—you're in your classroom, you're teaching every day, other than when you're doing college work. Is that what all these other people are doing? Are they actual teachers in the classroom?

**Ms. Laframboise:** No, not all of them are. I don't have the list in front of me, so I don't want to say exactly how many. I know we have some full-time elementary, some full-time secondary. The independent private school representative is a full-time teacher. There are some who are released for federation duties full-time. There are two who are occasional teachers, so they're not currently full-time teachers. They would have been elected in the regional positions rather than in the system positions.

**Mr. Klees:** Would the registrar perhaps be able to tell me the breakdown? He may have more detailed information. How many of those members who are so-called classroom teachers would be full-time federation, released for federation business?

**Mr. Wilson:** Currently, I have five names who are classroom teachers who actually work directly in a classroom.

**Mr. Klees:** That's five. And the rest would be—

**Mr. Wilson:** I haven't had a chance to go through the entire list, but—

**Mr. Klees:** Would it be possible to get—

**Mr. Wilson:** Yes, it would be possible.

**Mr. Klees:** That's great. Much appreciated.

**Mr. Wilson:** We could send that over to the committee.

**Ms. Laframboise:** That's a tough question to ask us, you know—

**Mr. Klees:** No, I know. And I'm not—

**Ms. Laframboise:**—without having the names in front of us, with respect.

**Mr. Klees:** This isn't a test, by the way. We're trying to get information. If we get it later, that's fine.

**Ms. Laframboise:** Sure.

**Mr. Klees:** Of the 14 seats that are public appointments, how many of those are filled currently?

**Ms. Laframboise:** As of today, 13. As of May 13, 12. We have a term that's expiring on May 13. We have a term that expired on April 30.

**Mr. Klees:** And of the 13, how many are filled?

**Ms. Laframboise:** Currently, of the 14, 13 of the positions are filled and we have one vacancy.

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**Mr. Klees:** How long does it take the government to fill those once they become vacant?

**Ms. Laframboise:** That varies. Sometimes we've had someone almost right away. We've waited as long as a year.

**Mr. Klees:** And what does that do in terms of your ability to carry on business?

**Ms. Laframboise:** I indicated earlier that a lot of the work of council is done at the committee level. At each committee there is a specified number of members: a specified number of appointed and a specified number of elected. In order to do the work, we need to have always at least one appointed member present or we don't have quorum, so the work doesn't go on.

When we have one vacancy, usually we can manage by asking another appointed person to take over that person's committees. Usually all members of council would sit on two or three or four committees, depending on their availability and their interest. So if someone leaves who sat on two committees, we usually do our best to get some of the other appointed members to fill in to make sure the committee work can go on. If there are a number of vacancies, as we had, I believe, last year—it was quite a challenge. Our appointed people were very, very busy. I made considerable demands on the appointed persons, because we needed to keep moving ahead on a number of our initiatives.

Whether it's appointed or elected, if not every seat is filled, it's always a bit of a challenge; sometimes it's a great challenge.

**Mr. Klees:** Were you given any reason as to why these appointments were not being made?

**Ms. Laframboise:** Other than everyone is very busy here, I understand.

**Mr. Wilson:** Could I add, some of the regulatory bodies in Ontario have in their legislation that they cannot hold a council meeting unless they have a full complement of elected and appointed people. That's not the case with the Ontario College of Teachers Act, so we are not restricted in terms of being able to function as a council with a small number of vacancies.

**Mr. Klees:** I would think it would be helpful, though, to have a provision like that. It makes your job easier and it puts some pressure on the government to make sure that they do their job as well. That may be something that we should be looking at or the government should be looking at to make your job easier.

Just in the last few minutes that we have left, I'd like to speak to you about the disciplinary side of this. I have to tell you that there is concern. I have letters and I have e-mails from parents concerning this issue of teachers who have been accused of wrongdoing, everything ranging from harassment to sexual abuse. You deal with these issues all the time. It's a huge responsibility of your college. The concern is this: If you have members who sit on these disciplinary panels and they happen to be affiliated with the same union as the individual who stands before them accused and they have to pass judgment, that raises serious concerns relating to potential conflict. Will the public interest be served? I want to just ask you, as someone who I'm sure wants to do the job right, would it not be helpful if in fact there wasn't that potential conflict or perceived conflict in a disciplinary hearing?

**Ms. Laframboise:** That's a very complex question. Obviously, I would have to say, well, no, it would be best

that there not be a perceived conflict there. I'm surprised to hear that you're getting mail about that, quite frankly, because I think that the discipline process is a very open, transparent process. You do know that our hearings are in public. Our decisions are on the website; they're in the magazine. Members have access to them. It is a critical part of the work that we do, however; you're absolutely right.

It's crucial that we be able to ensure that our children are safe in our classrooms. When a complaint is received by the college, it's dealt with in a very serious manner. Having been a member of the discipline committee and having sat on numerous panels over the last eight years or so, I've never had any sense of there being any conflict whatsoever. We're very highly trained to do what we do. We're constantly reminded that we can only make decisions based on the evidence that's provided to us. We have independent legal counsel who also advises us in those regards. When we've received evidence on a particular matter, before we go off to deliberate, we listen very carefully to the advice that's provided to us by independent legal counsel.

Right at the beginning of every hearing, there's a statement that's read into the record. It says something to the effect of, "This panel is independent from the college," because, while I agree that it needs to be very clear that there is no conflict with any other groups, members who come before the panels also have to understand that when we are there as panel members, we're also not there representing the college. Those three people are independent, and they will make the decision that they make based only on the evidence that's brought to them.

The training that I've received with regard to this whole process has been extensive. We have had numerous lawyers provide us with a lot of training with regard to how to make those decisions, what to look at, how to deal with witnesses, how to deal with children as witnesses, vulnerable witnesses, hostile witnesses. It's a very clean, transparent process.

I think you should come and see a hearing sometime, because I think you would be quite impressed by the level of professionalism. It is a quasi-judicial situation, so we do respect all of the things that would go on in an Ontario court of law. We're bound by the Statutory Powers Procedure Act, the Ontario College of Teachers Act and the Education Act when we do this very important role as discipline.

While I can appreciate the comments and the messages that you've received, that some may feel—I think that if you were to investigate a bit further, you would be quite satisfied that in fact not only is the panel independent from other groups, it's independent from the college. We don't always come forward with a finding of professional misconduct. Members are sometimes found not guilty because the evidence simply wasn't there.

**Mr. Klees:** That's one of the reasons I wanted to have this opportunity to determine what the process is and to hear from you whether you believe it is in fact working.

I'm going to wrap up on this issue, but I have in front of me three cases, for example, and—

**The Chair:** Mr. Klees, again, I'm going to rule: We're not here to review—these cases are—

**Mr. Klees:** Just let me finish, Chair. I'm not about to review the cases.

**The Chair:** No, I'm not going to let you finish. I'm telling you that we're not putting these people in a position to review prior cases. That's not what we're here for.

**Mr. Klees:** That was not going to be my question. If you'll allow me to finish the question—

**The Chair:** Perfect. Then put your question. I apologize; I may have been premature.

**Mr. Klees:** I have three cases in front of me. I want to speak to the issue of what concerns parents in terms of some of the outcomes. I'm trying to get a sense of what guidelines the members of a disciplinary panel have that guide them in making a decision in terms of the consequences for a teacher: suspension; cancellation of a licence is one of the options that you have. I'm sure that we all understand, and I don't believe there's anyone in this room who would disagree that possession of child pornography, for example, for a teacher, a classroom teacher, is not something that any of us would condone. Surely it cannot be comforting to any parent in this province that someone with a history of that is teaching in our classrooms. In one case, for example, the result of this was a suspension of two years, so the individual is back in the classroom today.

In general terms, I'm trying to get a sense of what is guiding decisions like that. Do you have standard references for certain offences that are published that guide the individuals on the panels, or is this a subjective decision that is made case by case? That's my question.

**Ms. Laframboise:** Every matter is determined in and of itself, obviously. We do have precedents. The college has now been in operation for about eight years. We rely on those, and legal counsel will frequently bring us to those. We also have precedents from other organizations, and frequently we're called upon to read rather thick factums that provide us with what's gone on elsewhere on a question such as this one. Each matter has to be dealt with on its own, based on the evidence that's brought before it.

**The Chair:** Ms. Laframboise and Mr. Wilson, our time has come to an end. We're being called to the House for a vote. I want to thank you both for availing yourselves to this committee, for the professional manner in which you presented today, and for your openness and frankness. Do you have a final short statement you'd like to make for the record? If not, we'll—feel free to do so.

**Ms. Laframboise:** No, other than thanking Mr. Klees for having invited us, and inviting you, Mr. Klees, and any of the other participants today to call me if you have any questions and to visit the college. I'm very serious when I put that invitation out. I think that's how you get to find out how we do what we do.

**The Chair:** Thank you very, very much.

**Mr. Klees:** Chair, if I could—

**The Chair:** With respect, we're being called to the House, so if it's brief and you'd like to thank—

**Mr. Klees:** I simply wanted to thank our guests for appearing and giving us the opportunity to learn more about how you do business.

**Ms. Laframboise:** Thank you.

**The Chair:** I wish to inform the committee that we have about one hour and 40 minutes remaining.

This committee stands adjourned until May 9, at which time we will reconvene in room 228.

*The committee adjourned at 1752.*



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Second Session, 38<sup>th</sup> Parliament

## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 9 May 2006

# Journal des débats (Hansard)

Mardi 9 mai 2006

**Standing committee on  
estimates**

Ministry of Education

**Comité permanent des  
budgets des dépenses**

Ministère de l'Éducation

Chair: Cameron Jackson  
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## STANDING COMMITTEE ON ESTIMATES

Tuesday 9 May 2006

## COMITÉ PERMANENT DES BUDGETS DES DÉPENSES

Mardi 9 mai 2006

*The committee met at 1555 in room 228.*

### MINISTRY OF EDUCATION

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates.

We have two items of business. I have a letter expressing regrets from Deputy Minister Ben Levin, who had a prior engagement and was unable to be here; he called me about that. We are pleased to welcome Kevin French and Nancy Naylor, both assistant deputy ministers from the Ministry of Education, and the minister.

We have two rotations remaining. Mr. Klees has 20 minutes and Mr. Marchese has 10, and that should bring our time with these estimates to a close. I will then be calling for the vote.

We have some additional responses, which the clerk will be circulating.

Mr. Klees, you have the floor.

**Mr. Frank Klees (Oak Ridges):** Minister, I'd like to address the issue of the teachers' pension fund. Marilies Rettig reported to her membership that as of January 1, 2006, the funding deficit for the plan would be close to \$30 billion. Are you aware of that deficit?

**Hon. Sandra Pupatello (Minister of Education, minister responsible for women's issues):** Perhaps you're going to have additional questions, and then I'll be able to turn it over to Nancy Naylor to address the teacher pension issue.

**Mr. Klees:** I just would like to know whether you as the minister are aware of that deficit.

**Hon. Ms. Pupatello:** Without having had an opportunity to speak to the board directly, I certainly am aware of the various media items that have appeared recently about this issue, yes.

**Mr. Klees:** Clearly there is an issue here for the government. The report from Ms. Rettig to her membership states very clearly that, "A valuation must be filed by January 1, 2005. We have a one-time-only opportunity to do this because of recent changes to the Pension Benefits Act. No change should be made. A contribution rate increase for both teachers and government is unavoidable and should be phased in." This is apparently a solution to this \$30-billion deficit that exists. Have there been any conclusions in terms of how to deal with this deficit by the funding partners?

**Hon. Ms. Pupatello:** No, there is no conclusion.

**Mr. Klees:** There is a contribution rate increase for both teachers and government that is unavoidable. Would you agree with that statement?

**Hon. Ms. Pupatello:** No, but if you have further questions, I am going to turn it over to Nancy Naylor to address this issue. I'm just not sure how many more there are. If any of them are detailed and financial, I'm happy to have her speak to this.

**Ms. Nancy Naylor:** We are aware of the valuation situation that is facing the Ontario teachers' pension plan. The figure that you quoted is associated with what the plan would describe as their 2006 valuation issue. There is a different number, a slightly smaller number, that's associated with the 2005 valuation issue. I believe Ms. Rettig's material to her members has referred to that in the past.

The partners in the plan are the government and the Ontario Teachers' Federation, and as partners we have been discussing the approach to resolving that valuation situation. It will involve contribution rate increases and increases in the province's contributions to the plans. We are in discussions with the OTF about the approach that we'll be taking.

**Mr. Klees:** According to this report, the deadline for a decision is the end of June. Is that correct?

**Ms. Naylor:** Yes, it is.

**Mr. Klees:** This report also indicates that, "The executive has had meetings with the government pension partner. We are pleased to report that we have substantial agreement on the following issues: first, that a January 1, 2005, valuation should be filed; second, that there should be no reduction in the benefits in the Ontario teachers' pension plan." Is that correct?

**Ms. Naylor:** That is the position of the Ontario Teachers' Federation, yes.

**Mr. Klees:** But this states that this agreement has been reached with the government pension partner. So are you saying that the government has not agreed to that?

**Ms. Naylor:** At this stage of the discussion on the options available to the plan members, not the beneficiaries but the two partners—the government of Ontario and the Ontario Teachers' Federation—we are still at the stage of discussing the options available to us to resolve the valuation issue.

**1600**

**Mr. Klees:** So there may be a reduction in benefits in the Ontario teachers' pension plan?

**Ms. Naylor:** To date, the Ontario Teachers' Federation has been clear about their position that there should not be reductions.

**Mr. Klees:** What is the government's position?

**Ms. Naylor:** The government is still in discussions with its partner on the solutions and options available to it.

**Mr. Klees:** It states further that an increase in contribution rates for both teachers and government is unavoidable. Would you agree with that statement?

**Ms. Naylor:** Yes.

**Mr. Klees:** What is the estimated increase in rates that the government would have to pay under this arrangement, and what is the total bottom-line cost to the taxpayer as a result?

**Ms. Naylor:** That would be highly dependent on the options available to the plan members and to the plan partners, so it would be premature to say what that would be.

**Mr. Klees:** Do you have any estimates from your actuaries in terms of what that cost might be?

**Ms. Naylor:** Again, there are a number of solutions and options, and there are discussions about which path to take to resolve the valuation issue.

**Mr. Klees:** It would be substantial, would it not? Thirty billion dollars is a significant gap, a significant deficit for a pension fund.

**Ms. Naylor:** What would be important to note is that the valuation issue that will be addressed will likely be the 2005 valuation, which is smaller than the 30—

**Mr. Klees:** And how much smaller is it?

**Ms. Naylor:** It's estimated at about \$19 billion.

**Mr. Klees:** Nineteen billion. That is still a significant amount of money, is it not? I'm trying to get a sense here. I don't want to be difficult, but surely there's an impact to the taxpayer if there's an increase in rates. I'm trying to determine where we might ultimately see that in the government's estimates. Has any provision been made in the estimates for that increased rate?

**Ms. Naylor:** On the provincial side of that, yes, it has, and that has to do with the province being on PSAB accounting. So for pension responsibilities, the province deals with that on an annual basis. The province has been making provision for that, so on a cash basis it would go up. On a fiscal basis, it—

**Mr. Klees:** Could you point me to the place in the estimates where that would be found?

**Ms. Naylor:** Yes, we'll find the page. But it is in the Ministry of Education—there is an allocation number for our ministry and then there is an allocation number for the teachers' pension plan. I believe it's about \$400 million for this year. That is the province's contribution on a fiscal basis for the 2006-07 fiscal year.

**Mr. Klees:** And is that fully funded?

**Ms. Naylor:** Yes.

**Mr. Klees:** You don't have any idea what the increased cost to the taxpayer would be in the coming fiscal year resulting from this agreement that you are about to enter into with the teachers' pension fund?

**Ms. Naylor:** Because of the way the provincial accounting works for pension funds, that would anticipate that the valuation issue would be addressed by the province.

**Mr. Klees:** Okay. Chair, what I would like to receive is a detailed accounting of how the government is in fact accounting for this anticipated cost. I'd like to get a sense of what those increased rates are going to be, the contribution rates, and as soon as it has been firm ed up, that there be a report to the committee to that effect.

**The Chair:** Duly noted. You have 12 minutes, Mr. Klees.

**Mr. Klees:** My next question is to the minister. Minister, just very quickly on this point, the last time we were together I asked you very specifically if you were aware of a petition to the Legislature relating to funding of faith-based schools. You had indicated that you had no idea about that petition. None of your staff seemed to know about it. I just want to know: Have you seen that petition since then? Have you had anyone bring it to your attention?

**Hon. Ms. Papatello:** Yes, I believe you asked some questions, and we're preparing a response for you regarding the petition. I have not read the petition. I can tell you that since we last met at estimates, I have read a number of things, and at some point that petition will likely be on the list of things to read. But as of yet, I have not read the petition.

**Mr. Klees:** Just so that you get one, I'll table one with the Chair. If you could pass that on to the minister.

There was another petition that was circulated by your own colleagues, I'm assuming in response to this. It was a petition that was read into the Legislature on three different occasions. Specifically, Minister, it talks about the people of Ontario demanding quality education; it talks about Premier McGuinty and the Liberal caucus fighting for the future of public schools, including smaller class size; and then it talks about the Conservative Party and John Tory, who "want to take millions from public education to literally pay people to withdraw their children from the public system and send them to elite private schools." Are you familiar with this petition?

**Hon. Ms. Papatello:** No, I'm not.

**Mr. Klees:** I want to table this petition with the committee, because I would like to get the minister's view on how appropriate it is. This particular petition has eight signatures. Seven of those signatures are Liberal MPPs. I just want to know from the minister whether she feels that is an appropriate use of petitions in this place, and whether that is messaging that she as the Minister of Education approves of. I'll table this.

Do you approve of that?

**Hon. Ms. Papatello:** To be fair, I must tell you that because ministers aren't allowed to table petitions, as a cabinet minister I don't tend to be in the House in the 15 minutes allocated to deliver petitions, as I used to be—and I used to be a strong advocate of bringing petitions. I believe that all people, regardless of what party they might represent, should deliver petitions on behalf of



their constituents. I also agree that, despite my not agreeing with the content of a petition, it is my duty as an MPP to table petitions on behalf of my constituents. In my history, the last 11 years, on many occasions I have tabled petitions that I don't personally agree with, but these people deserve a voice.

As the Minister of Education, what will happen in the right number of days—because we do have a number of days, according to the standing orders, to respond to the petitions that are tabled. So all of the petitions that are being tabled now, since I've become minister, will be put before me to respond to them. I'm happy to respond to the one that you've read here as well.

**Mr. Klees:** Thank you.

Chair, if there's a representative from the EQAO, I'd like to address them for the balance of my time.

**The Chair:** Yes, there is. I'd like to welcome, from the Education Quality and Accountability Office, its executive director, Marguerite Jackson, and the vice-chair, Mr. Jerry Ponikvar. Thank you for attending today. We appreciate your presence.

**Mr. Klees:** Thank you so much for being here. I unfortunately don't have much time with you, but I'd like to address an issue that has been raised on a number of occasions over the last number of months, and that is the quality of the testing that's taking place. There have been suggestions that the government is actually lowering standards to meet their particular pass rates.

One of the very practical issues is that students are being allowed to use calculators while doing the EQAO tests. My question to you is very simple: Has that always been the case? Have students always been allowed to use calculators while doing mathematics tests?

**Mr. Jerry Ponikvar:** Mr. Chair and committee, I want to say on behalf of Marguerite and myself that we're very pleased to be here and to join you for this committee.

You have raised, Mr. Klees, several questions. One is a matter of standards. I can assure you that the standards that we started with are being maintained by the agency. Just two years ago, in fact, we had a panel of 22 experts of national and international background who checked out our processes. We did this because we felt that it was the time in the history of our agency to do a review to see where we're at, how well we're doing and what we need to do to make any improvements to ensure that the quality of education in this province is occurring in the classrooms.

I can say to you that the agency was given an endorsement by this panel when they said to us, "Your assessments are of world class." We were very proud to hear that this panel, who were totally objective, felt the way they did when they reviewed our total operation in terms of what we were doing.

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In terms of calculators, calculators are another manipulative that is used in the curriculum today in mathematics. It's a manipulative, just as other resources are used in terms of mathematics by the children in the

classrooms. I can say to you that they aren't the basic first line of use when children are learning concepts and skills or basic operations in mathematics. They're used to reinforce what concepts and understanding the children have to arrive at answers. But the focus is still on children understanding the process of what happens when I subtract one number from another.

**Mr. Klees:** Sorry, I don't want to interrupt you. I'm concerned that we're going to run out of time. My question was very specific. Has there been a change in policy? Under EQAO testing, have students always been allowed to use calculators in mathematics tests?

**Mr. Ponikvar:** I'll turn that over to Marguerite.

**Ms. Marguerite Jackson:** Yes, calculators have been a part of the tools that students could bring to the test situation. This is because calculators are directly spoken about in the Ontario curriculum as one of the tools that students should have available to them. This is consistent, has been in the past and will continue.

**Mr. Klees:** So there's been no change in policy regarding the administration of these tests?

**Ms. Jackson:** There's been no change in the availability of calculators.

**Mr. Klees:** Okay. Thank you for clarifying that. There's been a lot of misinformation about that.

I'd like to know, does shortening the time of the tests in any way impact the outcome, in your opinion? Or, let me put it this way: What was the reason for reducing the time for the tests?

**Mr. Ponikvar:** Would you like to answer that?

**Ms. Jackson:** We went through an extensive review process that involved input from stakeholders, reviewing what other jurisdictions did in large-scale assessments and receiving input from the international panel that Mr. Ponikvar spoke about. One of the outcomes of that investigation was an identification that we could provide to the public a confidence in the level of achievement of students in this province with a shorter assessment. We could also provide to the teaching profession valuable information that would allow them to have professional dialogue that would support their actions in the interests of improved student achievement. We've been very meticulous about the processes we've used to assure that we still cover the curriculum aspects that we've covered before and that our assessments are comparable. Yes, they are shorter but, yes, they are comparable and, yes, they are valid and reliable results.

**Mr. Klees:** And you are comfortable and confident that you have the necessary resources available to your organization to carry out those tests?

**Mr. Ponikvar:** Yes, we are. The agency in the last four years, as you've noted in the budgets that have been allotted to EQAO, has been able, through efficiencies and use of technologies in terms of scanning tests, in terms of still maintaining confidentiality and reporting more effectively—the budget has been reduced by about 25%. As a member of the board, we're truly proud of what the agency has been able to accomplish in terms of those efficiencies. I'm pleased to report that to you today.



**Mr. Klees:** Mr. Chair, I have a request of the EQAO. Could they provide us with their analysis of the performance of Ontario students based on the tests they administer compared to other jurisdictions—other provinces—in Canada and perhaps some jurisdictions within the United States and internationally? I'm assuming that those numbers are available, and I'd like to get that summary from the outset, from the implementation of your tests through to this point. I think it would be very helpful for us to see what progress our students are making and at the same time some commentary in terms of the standards of those tests, the expectations that are built into those tests, compared to these other jurisdictions.

**Mr. Ponikvar:** You don't want us to answer that today—

**Mr. Klees:** No, no. That's a take-away.

**Mr. Ponikvar:** —you'd like us to get that information and provide it to you? Of course.

**Mr. Klees:** We look forward to receiving that.

**Mr. Ponikvar:** I can just say, perhaps in capsule form, that our tests are truly unique in Ontario, because they are based on curriculum outcomes or the expectations. Often we hear that teachers teach to the test. We say that if they're teaching to the test, they're teaching to the expectations of the curriculum. If you went into a classroom today, I think you would see that there has been an influence in what is happening in terms of the implementation of today's curriculum as a result of this engine of assessment, which is driving good, solid pedagogy; learning-teaching strategies; and differentiated learning for children, not only the regular learner but those with special needs as well.

**Mr. Klees:** With regard to special needs, I'd also like a report from you relating to the accommodation that is made for special-needs students and ESL students and how that factors into the outcome of the test, if you would do that for us.

**Mr. Ponikvar:** We could provide that.

**Mr. Rosario Marchese (Trinity-Spadina):** Mr. Chair, I have a question, and then I'll move on to the minister.

**The Chair:** I'm in your hands.

**Mr. Marchese:** Thank you so much; I like that.

Madame Jackson, here's a question on calculators that Mr. Klees would have liked to ask. We, as New Democrats, do not dispute the use of calculators; that is not the issue. The real point is that in the past, under the Tories, students were able to use calculators only for certain types of questions. There were two booklets. One booklet was multiple-choice questions. For that part of it, they could not use calculators, and now they can. Is that correct?

**Ms. Jackson:** They no longer have that separate booklet of multiple-choice questions. With the improved design of the assessment, the test is in one booklet and students are allowed to bring the tools of mathematics to the test with them.

**Mr. Marchese:** Right. But you understand my question?

**Ms. Jackson:** I understand your question.

**Mr. Marchese:** They can now use the calculators for the multiple-choice questions. They couldn't before.

**Ms. Jackson:** The improved design of the assessment is different from the booklet 1, multiple choice, and students are allowed to bring the tool to the test with them. The significant thing—

**Mr. Marchese:** No, no, Madame Jackson. It's—

**The Chair:** Rosario, please. Ms. Jackson will tighten her answer, and I'll give you another two minutes if it takes a little longer for her to explain it—

**Mr. Marchese:** But I don't want that, because I want to move on to the next—

**The Chair:** I'm going to get you there as quickly as possible, but let Ms. Jackson answer the question and then—

**Mr. Marchese:** It was a very simple question, actually. I don't want an elaboration.

**The Chair:** Please proceed with your simple question.

**Mr. Marchese:** I don't need an elaboration of how you changed the test. All I wanted you to clarify was that there were two tests that were given, two booklets. For one booklet they could use the calculators, correct?

**Ms. Jackson:** Correct.

**Mr. Marchese:** For the other, they couldn't.

**Ms. Jackson:** Correct.

**Mr. Marchese:** Okay. Thank you.

**Ms. Jackson:** May I add that the significance of not being able to use them with the one booklet was that—the purpose of using a calculator is that the student has to determine when it's appropriate and know how to use it. When the multiple-choice questions are blended through one booklet, there isn't the same ease that there would have been in the design we had previously. So the improved design allows students to make determinations about the tools.

**The Chair:** Thank you very much, both of you.

**Mr. Marchese:** I now have a question for the minister and staff. Minister, I submitted some questions so I wouldn't have to read them for the record and waste too much time, because I want to get on to Bill 78; as you might imagine, people are waiting for us. I'm going to ask some quick questions on ESL, and then we're rushing off to the other meeting.

How many ESL teachers are currently employed in Ontario? Do we know that?

**Hon. Ms. Papatello:** I will find out if I can have that number for you. I'm not aware of the number, but I'll see if I can get it for you.

**Mr. Marchese:** Is staff aware of the number?

**Ms. Naylor:** I would say that we don't ask boards to designate which teachers are ESL, so it would be hard for us to answer that.

**Mr. Marchese:** So you don't really track how many teachers we have, how many are teaching ESL? We don't really track that.

**Hon. Ms. Papatello:** We may in fact track how many are teaching ESL, but I can't tell you how many are designated as just ESL teachers. As I said, I will look and see if we can supply you with that information.

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**Mr. Marchese:** Okay. Are you familiar with the recent People for Education report on ESL teachers?

**Hon. Ms. Papatello:** Actually, the most recent report I've read from them that that produced was regarding libraries and librarians, but I haven't read their report on ESL.

**Mr. Marchese:** This is on ESL. Is the staff familiar with this report?

**The Chair:** Let the record show that Ms. Naylor nodded and we got a yes.

**Mr. Marchese:** Minister, you see that the ESL program is declining across the province from 1997-98?

**The Chair:** Your graph is equally as impressive on the Hansard record.

**Hon. Ms. Papatello:** I'd like to see how that gets represented in Hansard.

**Mr. Marchese:** It says the following, Minister: that "36% of schools have ESL programs, down from 58% in 1997-98." It's impressive. From 58% in 1997-98, we're 36% in 2005-06. So under your government we've dipped a little bit; we're 36%.

**Hon. Ms. Papatello:** Without all of the detail and how they arrived at the data, I think it's fair to say that Ontario has been in declining enrolment for many years as well. So it is in fact very localized, the issue of ESL.

**Mr. Marchese:** So part of the data you might provide for me, including how many ESL teachers—you might be able to provide data that talks about—

**Hon. Ms. Papatello:** Where they are—

**Mr. Marchese:**—factors that affect ESL?

**Hon. Ms. Papatello:** Because I think those things are important, yes.

**Mr. Marchese:** I think so too.

The same report talks about the GTA and it says that "71% of all Ontario's ESL students are in the GTA," and "only 51% of GTA schools have ESL teachers," which is "a decline from 55% last year, and 68% in 1999-2000."

**Hon. Ms. Papatello:** But again, without understanding all of the data arriving to summarize like that, it could also be extremely localized in that there is half of a board's geography that wouldn't include schools that need ESL programming but there would be other communities and neighbourhoods where all of the schools in those neighbourhoods would. That's why it's important to note how data is collected, how it's being presented—

**Mr. Marchese:** Exactly, and this is why it's so important for the ministry to be able to produce its own report, because they refused to do this when they were in government. By "they" I mean the Tories, for the record. You raise interesting points, and it would be lovely to have a report from you in terms of what's been happening in ESL to explain these factors and these changes, because I know you're keenly interested in this, and so am I. Could you help us out with producing a report for

us that would help me to understand this a little bit better?

**Hon. Ms. Papatello:** As I move forward in—and as this member knows, the importance of the grants for student needs that are pending now with boards, then—

**Mr. Marchese:** You might fix that, then.

**Hon. Ms. Papatello:** What I am saying now is that it's significant for me to get a very full understanding of a number of issues as they impact the grants, because the grants are due shortly. One of those areas is certainly ESL.

**Mr. Marchese:** I would just love, from you and your ministry, a tracking report on ESL, with an explanation, as you're providing, in terms of factors that affect it across the province.

The last question I would have of you is that a lot of boards are simply—they don't have ESL monies sweated. That means the money they should be getting for ESL is not going to the programs. That's a problem for me, and I'm sure it is for you too.

*Interjection.*

**Mr. Marchese:** "Sweated" means just that—

*Interjection.*

**Mr. Marchese:** Oh, okay. Sorry; I was just using a term that—

*Interjection.*

**Mr. Marchese:** You're quite right, and I apologize. You're right.

So money should be directed to ESL or FSL, and at the moment it isn't. So boards are stealing money from various programs to make ends meet. I think it's wrong. Do you agree that money should be directed specifically for ESL and that it should not be touched? That's the question I put to you.

**Hon. Ms. Papatello:** I think it's fair to say that the boards like to have flexibility when they've been delayed the funding from the province.

**Mr. Marchese:** I know they do, but do you agree with that?

**Hon. Ms. Papatello:** I also believe that ESL funding has been applied in many ways throughout, as the—and we've already acknowledged that the grant is probably not in its finest form and needs to be addressed. I have also committed to be doing some serious reviews of that formula.

**Mr. Marchese:** Could the review talk about directing money for ESL, specifically for that?

**Hon. Ms. Papatello:** What we have discovered in this discussion about the formula, as it relates to the grants again, which are due soon, is that if ESL funding has been used for teachers' salaries, as you have asked—and so have I in the past—what we find is that it takes teachers often who are delivering the ESL programming, which is what the ESL money is paying for. So if we're paying for the teachers of ESL, then in fact, yes, ESL money is funding teachers and teachers' salaries, but it may well be the teachers who are delivering that ESL. As you know, most of the programming delivered in school boards—85% of their budgets or more may well be personnel.

**Mr. Marchese:** A final question: Do you think that money should be specifically dedicated for ESL and it cannot be touched by boards? Do you agree with that, or no?

**Hon. Ms. Papatello:** I think that what I need first, before I can even be in a position to answer that question, is the opportunity to do a review of the programming to determine that boards are adapting what it is they're adapting as ESL programming—because I believe it is being applied in very different ways across Ontario. Some of that differentiation may be good.

**Mr. Marchese:** Thank you, Minister. I'd like to move on to the next committee.

**The Chair:** The next committee has already begun.

**Hon. Ms. Papatello:** I'm going to miss you, though, Rosario.

**Mr. Marchese:** I know; me too.

**The Chair:** By agreement, I wish to state that the time has expired for the estimates for the Ministry of

Education. At this time I would like to call the vote, if everyone is ready.

Shall vote 1001 carry? All those in favour? Opposed, if any? That's carried.

Shall vote 1002 carry? All those in favour? Opposed, if any? It is carried.

Shall vote 1003 carry? All those in favour? Opposed, if any? That is carried.

Shall the estimates of the Ministry of Education carry? Those in favour? Opposed, if any? It is carried.

Shall I report the estimates of the Ministry of Education to the House? All those in favour? Opposed, if any? That is carried.

This meeting stands adjourned until tomorrow immediately following routine proceedings in room 228, at which time we'll begin the estimates for the Ministry of Community and Social Services.

*The committee adjourned at 1627.*











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## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Wednesday 10 May 2006

# Journal des débats (Hansard)

Mercredi 10 mai 2006

**Standing committee on  
estimates**

Ministry of Community  
and Social Services

**Comité permanent des  
budgets des dépenses**

Ministère des Services sociaux et  
communautaires



Chair: Cameron Jackson  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 10 May 2006

Mercredi 10 mai 2006

*The committee met at 1605 in room 151.*MINISTRY OF COMMUNITY  
AND SOCIAL SERVICESMINISTÈRE DES SERVICES  
SOCIAUX ET COMMUNAUTAIRES

**The Chair (Mr. Cameron Jackson):** I call to order the standing committee on estimates. We have assembled today to complete six hours of estimates.

Avant de commencer, je vous présente ma fille, Michelle Jackson, et sa copine Michelle Millar, qui assistent à la Législature aujourd'hui pour un projet de l'école Pineland à Burlington de "job shadow" leur député de la circonscription de Burlington. Bienvenue, Michelle et Michelle.

I'd also like to welcome madame la ministre des Services sociaux et communautaires. Madame la ministre, vous avez 30 minutes pour la présentation. S'il vous plaît, commencez.

**L'hon. Madeleine Meilleur (ministre des Services sociaux et communautaires, ministre déléguée aux Affaires francophones):** Merci, monsieur le Président. Distingués membres du comité, je suis honorée de me présenter aujourd'hui devant ce comité pour parler du budget des dépenses du ministère des Services sociaux et communautaires.

Comme les honorables membres ne sont pas sans le savoir, j'ai été nommée ministre depuis peu, assumant ainsi les responsabilités qui incombait auparavant à Sandra Pupatello. Depuis le début du mandat de notre gouvernement, la ministre Pupatello a établi des assises solides en vue d'apporter des changements au sein du ministère dans son ensemble.

I have with me today the staff of the ministry, the deputy minister, Kevin Costante, and the assistant deputy minister, Lynn MacDonald. Et puis, j'oublie votre nom, vous?

**Mr. Bohodar Rubashewsky:** Bohodar Rubashewsky.

**Hon. Mrs. Meilleur:** Très bien. I don't pretend that after five weeks I know everything, but I know the questions that would be asked are important questions. That's why I will be sometimes, perhaps often, referring to the staff to answer the questions, because I wanted to give the most accurate information.

Ours is a people ministry. We have often been described as the heart of government, the soul of the

community. We have sought to meet those expectations with an optimistic view of human potential.

There will always be those who are vulnerable for many reasons, and usually through no fault of their own. I believe—and it has been the hallmark of my predecessor and of our Premier—that there must be a balance for everyone in Ontario: for women and their children fleeing violence, for people with disabilities and those without, for those who need assistance to get back on their feet again, and for those who need our help to re-establish their lives so they can raise their families. After all, all of Ontario benefits when there are opportunities for everyone to contribute to our economic and civic life. When our citizens have the opportunities and the support they need to turn those opportunities into reality, then our communities gain strength.

Today, I wanted to touch on three principles that define the work we do: first, helping our vulnerable citizens; second, helping people participate in their communities; and finally, improving accountability and efficiency in our social programs.

Ontario Works and the Ontario disability support program represent the largest expenditure of my ministry. Since 2003, we have been reaching out to the municipalities, community groups, organizations and individuals who deliver these services for input and assistance to make our programs better.

From the very beginning of our mandate, we said that the people who relied on our social assistance programs must not be treated unfairly. From the outset, our government pledged to treat vulnerable people with respect and dignity. We pledged to remove barriers that prevented people from improving their lives.

**1610**

We first eliminated the unfair lifetime ban for social assistance fraud. It is the job of the courts to determine penalties for fraud, not the social assistance system. We immediately brought in some practical improvements: allowing recipients to keep registered education savings plans, not penalizing them for personal loans, grants and awards earmarked for their children's education and not penalizing them for income their children earn working part-time or after school. How can children escape the cycle of poverty if we won't allow the family to save for a better education and future for them?

Next, we made important changes to help Ontario Works recipients increase their earnings and return to the

workforce. These changes break down barriers to a better life, barriers that never should have been there in the first place, barriers such as a need for child care and health benefits. We increased the maximum deductions for informal child care costs from \$390 to \$600 per month. This is one more child care option for working parents. We gave Ontario Works recipients access to drug and health benefits for a period of time while they re-entered the workforce. We also provided better incentives for them to work and earn more through a straight exemption of 50%, and we gave them more support for job-related costs.

I want to recognize my parliamentary assistant, Deb Matthews, who travelled the province and heard from hundreds of people involved in the social service system. Her recommendations provide valuable advice to my ministry as we work to improve these programs.

We also looked to new, more creative ways to help long-term Ontario Works recipients return to the workforce through our JobsNow program. JobsNow recognizes that many people who rely on social assistance can and want to find meaningful work; they just need extra support to get back into the workforce. JobsNow provides ongoing employment counselling, job placement and, most importantly, job retention support. This helps people find and keep jobs so they can become financially independent from social assistance.

I was recently in Ottawa to celebrate the fact that more than 2,000 Ontario Works clients are working right now thanks to the JobsNow program. In just one year, JobsNow has helped long-term Ontario Works clients get back to work and on the path to a brighter future. Their stories are giving encouragement to many people on social assistance.

I also want to talk about major changes to the Ontario disability support program, changes that help people with disabilities and their families find work, keep more of what they earn and, for those who can, move off of the program and into employment. Governments and the disability community agree that finding a good job is key to improving the quality of life and financial well-being of people with disabilities and their families. Currently, about 18,000 ODSP recipients are working to some extent, only 9% of the caseload. Many more are willing and able to work, but they need the right supports. We are giving them those supports by: improving access to employment services, such as job placement and retention supports, to help recipients and their families find and keep real jobs; increasing the employment start-up benefits to \$500 to help cover the costs of looking for a job, training or starting a new job; and introducing a 50% flat-rate earnings exemption and a new \$100 monthly work-related benefit for each adult working family member. The majority of working recipients will automatically see an increase in their disposable income.

For ODSP recipients and their families, the new rules also let them leave social assistance for employment without the fear that giving up the safety net might make their situation worse. For example, we are providing

ongoing drug/dental coverage and vision care until they are covered by their employer, and for people who need to return to the ODSP because their job does not work out, we're making it easier and faster for them to requalify.

There are big changes, big improvements—changes that our clients and stakeholders have asked for in our many consultations.

I would like to acknowledge the work that Ernie Parsons did. He travelled across the province, consulting with the disabled community and their families. I thank you for the help and the good recommendations you brought forward. We will continue to look for more ways to help people with disabilities enter the workforce.

At the same time as we help people reduce their dependence on social assistance, we're making steady progress in giving them some additional financial support.

In 2004, we gave recipients the first rate increase in 12 long years. We followed up that initial 3% increase with another 2% increase in this year's budget.

We also allowed recipients to keep the federal government's increase to the national child benefit supplement for the last three years. This means families on social assistance with children will receive an additional \$56 million in 2006-07 and another \$75 million in 2007-08.

In two and a half years, it is not possible for us to entirely make up for more than a decade of neglect. But our government has sent a strong message that we are committed to making steady progress and helping vulnerable people.

My ministry is about more than social assistance. We reach into all Ontario communities with programs and services that support a broad range of people who are disadvantaged. As MPPs, I know you have been approached in your communities by many people who need the services that my ministry supports.

I believe it is at the community level that our ministry's partnerships are strongest. These community partners include: emergency women's shelters; counselling and housing support agencies; and programs to help people who are homeless or at risk of becoming homeless.

These are programs and services that define compassion and caring in our communities, helping women and their children when life gets violent and helping the most destitute find hope when life seems hopeless.

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Our government's support for women facing violence has been unwavering. We inherited a sector that had, frankly, been struggling under the weight of increasingly tight budgets. Our government knew we needed a new approach, a comprehensive and coordinated approach to support the diverse needs of abused women and their children. That meant better community-based support for victims, earlier identification of and intervention for women and children at risk, changing attitudes to prevent violence from happening, strengthening the justice



system response and improving access to French-language services. These are the key components of our government's \$68-million domestic violence action plan.

The ministry has a central role in making this plan a reality. To date, the ministry has invested \$8 million towards the creation of 300 new and 136 refurbished shelter beds; committed more than \$4 million in base funding increases to help shelters and counselling agencies; invested nearly \$4 million to help shelters and second-stage housing providers make security upgrades, accessibility improvements and health and safety renovations; enhanced funding for community-based counselling by \$2.5 million annually; and invested more than \$10 million to create a transitional and housing support program for women's shelters, second-stage housing providers, affordable housing providers and community agencies to help abused women find and maintain housing and live independently. These programs do more than just help women escape abuse; they help them rebuild their lives for themselves and their children.

On May 1, I was in Ottawa to announce that the Ontario government is helping to set up an advanced telephone assistance and referral service for Franco-Ontarian women. We are also helping women's agencies strengthen their own financial human resources and structural capabilities with an investment of \$3.5 million in 2005-06 as well as in 2006-07, and \$1.4 million annually beginning in 2007-08. We know that good services start with good people and strong organization, and every cent we spend to strengthen these community agencies is an investment in women's future.

Finally, to maximize our investments at the community level, we are funding 39 domestic violence community coordination committees. These committees bring together women's agencies with other social service agencies, justice sector representatives and representatives from the health and education sectors. They will provide the community leadership we need to tackle domestic violence where it occurs in Ontario's community.

Just as we have brought better cohesion to our women's program, we have done the same for our homelessness programs. We inherited a jumble of homelessness programs which we consolidated to give municipalities more flexibility with less administration. We provided two increases in per diem rates for municipality-operated homeless services and additional funding for municipal programs that help people who are at risk of losing their homes.

In addition, we increased per diem rates by 9% for 280 domiciliary hostels. These hostels support 4,700 people, some of whom may have mental health issues, addiction issues, developmental disabilities or are frail and elderly. Domiciliary hostels serve some of our most vulnerable, many who are considered hard to house, and allow them to live with dignity and independence in their community.

Everything we do at our ministry is with inclusion in mind. It is vital that all Ontarians be able to participate in

the life of their community as much as possible. Our programs and services provide those opportunities.

Perhaps one of the most important steps my ministry has taken in many years is to assume responsibility for the Accessibility for Ontarians with Disabilities Act, 2005. For many years, disability advocates fought for meaningful legislation that would improve accessibility for all Ontarians. Our legislation was the realization of those efforts and the commitment of our government. Today, Ontario has strong, meaningful legislation that will improve accessibility for people with disabilities and for all Ontarians.

The act establishes the Accessibility Standards Advisory Council and standards development committees. The council will advise me on proposed accessibility standards developed by our first two standards development committees in transportation and customer service and on public information programs. The work of our first two standards development committees is well under way.

These committees include people with disabilities and private and public sector representatives. Our accessibility standards will cover all sectors of the economy and will address the full range of disabilities, including physical, sensory, mental health, developmental and learning. I look forward to receiving their proposed accessibility standards in several months, and I hope to make an announcement on further standards development committees later this spring. I am confident that with their commitment and the guidance of our advocacy council, we will make Ontario a leader in accessibility and inclusion.

Another important commitment to inclusion is in our interpreter and intervener services for people who are deaf, hard of hearing or deaf-blind. These important services help individuals live as independently as possible by providing the bridge in communication they need to access essential health and social services.

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For the past two years, we have concentrated our efforts on bringing greater fairness and accountability to these services. We have invested in more hours of services to meet the greatest pressures. We are developing tools to better meet the needs of our clients. In this year's budget, our government's commitment of more than \$10 million will help us further improve services. This is a 64% increase in the budget for these programs. I hope to be announcing the details of this funding this spring.

Now I'm going to speak on the developmental services, in which MPP Parsons is well versed. One of our most ambitious transformations is in developmental services, and there is probably no better example of our commitment to inclusion. Ontario spends more than \$1.35 billion each year to support people with a developmental disability.

In September 2004, our government announced \$110 million to strengthen community-based developmental services. We've also increased the number of community residential spaces as we close our remaining institutions



for people with a developmental disability. We also launched a major policy review of Ontario's developmental services sector.

As our society has changed and become more inclusive, so have the expectations of people with developmental disabilities about the kinds of care and services that they want and need. Today, they want a system where they are integrated into all aspects of society. And their families want greater choice and flexibility to care for their family members at home.

So we knew we needed a plan that would: make it easier for families to find services, increase fairness and consistency in how supports are delivered and give individuals and families choice and flexibility.

On May 2, I released Opportunities and Action, a plan for a fair, accessible and sustainable developmental services system, a plan that is the product of 18 months of input, discussion and debate with hundreds of people in Ontario's developmental services community; a plan that will help to achieve the vision of a more inclusive Ontario.

As we transform our developmental services system, our government is also making record investments in community-based supports. This year, we will invest nearly \$84 million in new funding. This funding balances new resources for community-based services with direct funding for individuals and families. All of this new funding is permanent, and brings the government's four-year funding increase for community-based developmental services to a record \$276 million, an increase of 16% since 2003.

**The Chair:** Minister, pardon me for interrupting you. I just wish to advise you that the regulations for this committee allow for the minister to do a 30-minute opening statement. Clearly, as I look at your pages, you will not be done in 30 minutes.

**Hon. Mrs. Meilleur:** No?

**The Chair:** So I fear that you have been ill-advised by your staff about the process. However, my ruling today will be that you will be allowed to complete your presentation, as quickly as possible, but I wish to serve notice to the Liberal caucus office that if any other minister comes before this committee and exceeds their 30 minutes, I won't be as generous. If you would like to finish now, that is fine, and then we'll go into our rotation. I apologize for the interruption, but that is the procedure. I believe this is your first estimates, and we'd like to welcome you. Please proceed.

**Hon. Mrs. Meilleur:** Chair, I was not ill-advised. They told me I had 30 minutes, but I'm probably speaking slower, so I'll speed up. Thank you for advising me.

This investment is:

- creating nearly 2,180 new residential spaces, including 1,000 for residents leaving the province's institutions and another 1,180 for those who live already in the community;

- strengthening specialized services for adults with a developmental disability who also have mental health issues or challenging behaviours;

- giving more than 5,000 more individuals and their families special services at home funding;

- creating the new passport Program to provide meaningful community participation supports for 1,600 young adults who have recently left the school system; and

- helping agencies address their operating costs, including employee wages, safety and security improvements and utility costs.

Our developmental services transformation also includes closing the final three provincial institutions for adults with a developmental disability. As committee members know, this policy has been in place since 1987, when the Peterson government announced a 25-year plan for full closure. All three parties, while in government, have supported this policy.

We have some great stories from the 113 residents who have moved already. One former resident who did not participate in activities in the facility has immersed himself in the social activities of his long-term-care home. Another former resident who has moved to the community forged a friendship with the owners of a business and was asked to work there part time. These seem like small things perhaps, but for someone who has not been able to participate in the community for decades, these are huge, positive changes that validate their right to live in their community just as each of us lives in ours. We are continuing to work closely with families and community service providers to make the best decisions as our residents return to their communities.

As you can see, the ministry has an enormous responsibility as steward of Ontario's commitment to help vulnerable people. We are Ontario's third-largest ministry, with a budget exceeding \$7 billion. But with this enormous mandate comes great responsibility. It is our job to make the best use of every dollar we invest in our social and community services.

Members of this committee are aware of recent controversies about the special diet supplement for social assistance recipients. Our government strongly believes that people who are eligible for this allowance should be able to receive it.

Since we took office, we have made changes that focus on treating social assistance recipients with fairness and dignity, but respect must go both ways. When some people don't respect the rules, it jeopardizes our programs for people who truly need them, both now and in the future. That is not fair to those who work hard within the rules to improve their lives and the lives of their families. So we took action to maintain the integrity of the special diet allowance and to make it do what it was designed to do. We will regularly review the eligibility criteria to keep pace with developments in medical knowledge, and we will make changes as required. Your feedback is always welcome.

Another important accountability measure is our sponsorship debt recovery initiative. There are thousands of sponsored immigrants in Ontario who rely on social

assistance because their sponsors do not meet their legal obligation to provide support. Forcing them to rely on social assistance is not fair to sponsored immigrants and certainly not to the people of Ontario.

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The ministry is working in partnership with the federal government to recover social assistance costs from sponsors who do not fulfill their sponsorship obligations through tax rebates and tax returns. It has always been the case that if a sponsored immigrant is forced to rely on social assistance, his or her sponsor will now be required to pay the cost of that assistance back to the Ontario government. It is a fair approach that recognizes that each of us, individuals and government, has a responsibility to live up to the commitments we make to those who rely on us.

Another way we are making our services work better is in our adoption disclosure legislation. This new law resulted from a great deal of consultation with adoptees, birth parents and adoptive parents. We heard from birth parents that it was important to them to know that the child they gave up had a good life. We heard from adult adoptees who wanted the same right as non-adoptees: the right to know their own identity. We also heard clearly that the right to know is different than the right to a relationship. That is why our legislation balances the right to information with improved privacy measures. It is an important balance that treats adoptees and birth parents fairly and brings our adoption disclosure laws into the 21st century.

I want to talk about the changes we have made at the Family Responsibility Office. These are changes that recognize that accountability in public service does not just mean saving money; it means making sure that services work for the people who need them.

Our government inherited a Family Responsibility Office that simply was not working. For years, the Ontario Ombudsman, the Provincial Auditor and the Ontario Information and Privacy Commissioner had called for improvements, and they warned that the Family Responsibility Office was at risk of not being able to fulfill its legislative mandate, a very serious criticism. We had to move immediately to get the Family Responsibility Office back on its feet.

We began in February 2004 with immediate improvements to customer service, and we are building on those improvements. We have new legislation that will be implemented over the coming year, as well as new technology that will bring the Family Responsibility Office's operations into the 21st century.

Altogether, our efforts are improving customer service, strengthening our ability to enforce court-ordered support payments, treating people more fairly and working with them to meet their support obligations, and improving efficiency. As a result, we have collected more than \$112 million, due to our credit bureau initiative; the office now answers more than 36% more phone calls; average call wait times have been reduced from 13 minutes to eight; and we have been able to find the

addresses for support payers on 57% of the returned mail. I am certain that many honourable members will agree that the Family Responsibility Office of today is a far more efficient, fair and effective organization than the one we inherited in 2003.

These measures and others are improving the accountability of our social services system.

In conclusion, our government believes people deserve help in their time of need, and we intend to help. As a ministry, we will continue to believe and invest in the abilities of our people to build a more prosperous Ontario and stronger communities, and by maintaining the integrity and sustainability of our social programs, we are protecting them for the people who need our help today and for those who will need it in the future.

I now turn it over to you for questions or comments. Thank you for your patience.

**The Chair:** Thank you very much, Madam Minister. We will now move in prescribed rotation. The critic has up to 30 minutes, but he'd like me to recognize Mr. Arnott.

**Mr. Ted Arnott (Waterloo-Wellington):** Thank you, Minister, for the overview of the activities at the ministry. I'm pleased that my colleague the member for Cambridge has given me this opportunity to ask you a question and raise an issue with you in the estimates forum. It's something that you and I had the chance to discuss privately a while back, and you may recall our conversations on this. I had a constituent and her mother come into my office a few weeks ago, and the constituent's name is Janice Fraser. Her mother is Marianne Fraser. They reside near Kenilworth in the township of Wellington North. In all my years in the Legislature, I've never seen a problem quite like this.

Janice Fraser received a cold—well, it's a form letter, I guess, that is cranked out by the Ministry of Community and Social Services. Janice is a recipient of the Ontario disability support program. She's disabled. This form letter, or whatever you want to call it, was sent to her, and I'll read you just the first paragraph:

"Dear Miss Janice Fraser:

"Your Ontario disability support program file has been reviewed for the months July 1989 to September 2005. An overpayment has been calculated for the amount of \$75,511.17."

More than \$75,000—I couldn't believe it. I thought there must be a mistake. We looked into it further and it appears that this in fact is the case. So of course the ministry's response is to send this rather cold form letter indicating that the overpayment is going to be recovered month by month—forever, I guess.

Marianne Fraser wrote this letter to your predecessor on March 6, 2006:

"Dear Minister:

"I am requesting you to help my daughter, Janice Fraser.

"I am going to make this little note short.

"My daughter was assaulted in 1983 at her place of employment, and was very sick for a long time, she was



awarded a monthly amount from WCB, which was not a large amount and she could not have lived off that amount, so we applied for benefits for her.

"When the lady came to our home we were told she could still get benefits as WCB—you did not have to claim it nor pay taxes for it"—at that time. "When we moved, we had to get a new accountant, and he did all our taxes, but I never knew the law had changed, as no one informed us, and on February 27, 2006 we received a letter from social services, saying my daughter was overpaid about \$75,000. She has lost \$400 per month, and there is another \$47.95 also.

"I thought the statute of limitations was only seven years.

"In the year 2000 my daughter lost one kidney, and only a few months ago Janice had her bladder removed and now has a stoma which she urinates through.

"Janice has been quite sick since 1983 and now in the past six years has been terribly traumatized by the terrible illness she has had.

"I am hoping that between yourself and Ted Arnott, our MPP, there might be something you could do for Janice, and put all of this behind with regards to compassionate grounds.

"I am thanking you in advance.

"We remain

"Marianne Fraser for Janice Fraser."

In response to this letter, we received a reply from a ministry staff person, Vince Tedesco, regional director, indicating that as a result of, I guess, Janice's mother's letter, there would a reduction in the overpayment deducted from Janice's monthly Ontario disability support program allowance from 5% of her monthly entitlement, being \$47.95, to 2%, which is \$19.18 per month. So the ministry is going to be reducing Janice's cheque, according to this, by around \$20 a month forever, until it can recover more than \$75,000 of this overpayment that it says has been generated.

My question is, is there any absolute limit to the overpayment amount that is going to be recovered over time? That's my first question. Does it just keep going up forever and ever if an overpayment has been established by the ministry in excess of \$75,000? Is there any ceiling?

1650

**Hon. Mrs. Meilleur:** First of all, I don't think I can discuss any cases here. Is there any limit? I'm going to turn it over to the deputy minister. I don't think there is any limit but, after five weeks, I can be wrong, so I'll ask the deputy to answer that question.

**Mr. Kevin Costante:** My name is Kevin Costante, deputy minister of community and social services. The minister is correct; there is no absolute limit on the amount of an overpayment. We do have latitude, as it looks like was exercised in this case, to vary the amount of the deduction on compassionate grounds.

**Mr. Arnott:** I couldn't believe the \$75,000 figure. I assumed that perhaps the ministry was adding interest to the overpayment over time. Is that the case?

**Mr. Costante:** I would have to check. I don't believe that is our practice. I believe that is likely the amount of the WCB—again, I'm not familiar with the particular case. The policy is to deduct WCB payments from the income. I'm assuming that is because it was over a long period of time that the deduction is large and, therefore, the overpayment is large.

**Mr. Arnott:** Has that always been the policy of the government to deduct workers' compensation benefits?

**Mr. Costante:** I would have to check back to 1983. I've been involved in social assistance since 1993, and it has been the practice since then. I can check, but I'm almost certain that it always has been the practice.

**Mr. Arnott:** What if the client didn't understand that this was the case, or what if the caseworker misinformed the client, going back to 1983? Does that come into consideration in these kinds of situations?

**The Chair:** I can't hear you, Mr. Arnott. If you'd speak more clearly into the microphone. I'm having trouble with the recording.

**Mr. Arnott:** You can't hear me?

**The Chair:** I can hear you, but Hansard cannot, because it's electronically recorded.

**Mr. Arnott:** Could you hear my question?

**Mr. Costante:** Do you want me to answer?

**The Chair:** Please.

**Mr. Costante:** OK. Sorry. I wasn't sure whether you wanted Mr. Arnott to repeat the question.

**The Chair:** It's your turn.

**Mr. Costante:** Sorry, now I forget the question. I'm going to get you to repeat it, if you don't mind.

**Mr. Arnott:** I guess I'm exploring to what extent I can help my constituent. Really, that's the bottom line. I'm wondering if you've ever heard of a situation where there was a \$75,000 overpayment that had been established. Is this normal? Is this routine?

**Mr. Costante:** I have heard of large overpayments. This is one of the larger ones I've ever heard of, correct. I think with any government program—income tax, social assistance—we try to provide as much information as possible, but there is a duty of the individual to follow the rules and avail themselves of the rules. Our workers try as much as possible to inform clients, and when we find out things, we usually inform them right away. I don't think anyone likes to build up large overpayments like this, but there is a duty of the client to understand the program and to avail themselves of that information.

**Mr. Arnott:** Do you have any advice that I can pass along to this constituent, in terms of what more they can do?

**Mr. Costante:** I'm afraid I don't know how to answer that one. If there are other extenuating circumstances, I guess they could work with the local office. I think our staff try to be as compassionate as possible.

**Mr. Arnott:** Well, apparently the staff do have the authority to reduce the overpayment recovery on the monthly cheque. Does the minister have the power to forgive these overpayments on a compassionate basis and, if so, has that ever been exercised in recent years?



**Mr. Costante:** Sorry, I may have to check. I believe that there is authority through order in council to do this but, again, I've been involved with the program since 1993—although I missed three and a half years—and I don't remember an order in council being passed in that time.

**Mr. Arnott:** I will give you the particulars of this situation, and if you could check it out for me and get back to me, I'd appreciate it very much. Thank you very much.

**The Chair:** Deputy, you will accept those as questions and do some follow-up with those, in particular—especially the one on the bad-debt writeoffs, which is the area I'd be exploring in terms of if there are ever any from your ministry. I know the Minister of Finance does once a year, and he writes them off for a whole series of ministries; he does it all at once. I think committee would be interested in knowing if there are any from your ministry and what they might be.

Mr. Martiniuk.

**Mr. Gerry Martiniuk (Cambridge):** Thank you, Chair. How much time do we have, give or take?

**The Chair:** You've got just under 20 minutes.

**Mr. Martiniuk:** We have 20 minutes. Okay.

Since we're both new, Madam Minister, perhaps we could explore the ODSP, which we've been dealing with, and in particular the amounts paid and the clawbacks that are taken. As I understand it, there has been no increase in ODSP since 1995, other than the two you mentioned in your preliminary statement, and those totalled 5%, if I'm not mistaken.

**Hon. Mrs. Meilleur:** Yes, 3% in 2004 and 2% recently, so 5% together.

**Mr. Martiniuk:** So I think it's fair to say, if we take the rate of inflation even at 2% since 1995, that individuals on ODSP are probably worse off today than they were in 1995.

**Hon. Mrs. Meilleur:** I believe they are better off because we gave two increases, 5% in total, in three years. They had not had an increase for many years before. So they are better off now.

**Mr. Martiniuk:** Okay. Are you saying they're better off at the present time from a financial standpoint than they were in 1995?

**Hon. Mrs. Meilleur:** I'm saying that they have received two increases—a 5% increase—plus other benefits that some are receiving. So there has been an increase, and they are better off because they have received 5%. If the same trend had been in place before, they would be, again, better off.

**Mr. Martiniuk:** I see. My arithmetic might be a little different, because if we take a rate of inflation of 2% a year for 11 years, that adds up to about 22% and the 5% doesn't overcome that. I don't want to argue with you, but the question was very clear, and it was whether they are better off now or were better off in 1995. You seem to indicate that they are better off now.

**Hon. Mrs. Meilleur:** Yes, they are better off now.

**Mr. Martiniuk:** Okay. Now let's start dealing with clawbacks. Could you tell me what clawbacks are

presently taken and whether they're new clawbacks or whether they've been in existence for a number of years?

**Hon. Mrs. Meilleur:** Would you help me to understand what clawback you're talking about?

**Mr. Martiniuk:** I'm talking about set-offs against any monies they would be entitled to receive under ODSP. Mr. Arnott gave you an example of a possible set-off of monies received from workers' compensation.

**Hon. Mrs. Meilleur:** I'm not aware of any clawback for a recipient of ODSP. Perhaps you have an example that you want to give me.

**Mr. Martiniuk:** Workers' comp.

**Hon. Mrs. Meilleur:** Workers' compensation is not a clawback, because when they calculate ODSP or OW, welfare, they always take income into consideration. People have to declare their income, and the calculation of what they will be receiving always takes their income into consideration.

**Mr. Martiniuk:** Okay. So rather than using the word "clawback," we're talking about monies received.

**Hon. Mrs. Meilleur:** If there is an overpayment, the ministry will establish a repayment formula—

**Mr. Martiniuk:** No, I'm not talking about an overpayment. I'm just trying to determine what types of income are set off against their entitlement under ODSP. Workers' comp is one.

1700

**Hon. Mrs. Meilleur:** Any other income they are receiving is taken into consideration in the calculation; for example, if they are working—because they could be on ODSP and working, so if they're receiving a salary. If they receive a pension, they have to declare it, or any gratuities, tips. Those are examples that I can give you.

**Mr. Martiniuk:** In particular, what incomes received from the federal government would be set off against their entitlement under ODSP?

**Hon. Mrs. Meilleur:** From the federal government? If they are receiving, I would think, unemployment benefits; if they are receiving a pension from the federal government, this will be taken into consideration; if they are receiving the national child care benefits. Those are what I can think of. Do you have another example?

*Interjection.*

**Hon. Mrs. Meilleur:** I think those are the examples that I can give you.

**Mr. Martiniuk:** Can you give me the details on the national child care benefit?

**Hon. Mrs. Meilleur:** Yes. When an individual is receiving the national child care benefit, this is taken into consideration as revenue. What we have done since we came into power is that the yearly increase in the national child care benefit has not been used to calculate the income of an individual. So that means that a person with, let's say, two children will receive \$600 more a year.

**Ms. Lynn MacDonald:** With the two rate increases that the minister referred to in 2005 and 2006, the 3% and 2% rate increases, and with the flow-through of the 2004-05, 2005-06 and 2006-07 permanently, I think the

calculation is that families would be better off to the tune of about 15.7%. I can get you the actual dollars for a sample family, if you wish.

**Mr. Martiniuk:** Good, because I'm really interested in the calculation. I guess they're going to receive other monies from the federal government. Is the avowed policy of this government that in the last federal budget, monies received—for instance, the child care allowance of \$100 a month for children under six, I believe—are not to be taken into account when determining ODSP? Is that correct?

**Hon. Mrs. Meilleur:** You see, we have not received any details on that; it's in the recent federal budget. We know that it has been announced, but we have not received any details, so we cannot answer that question.

I have to say to you that the clawback was initiated by your government when you were in power, because the government had a choice: As long as they were using it to deliver services for children, they were entitled, and correct me if I'm wrong. Your government chose to do it. So when we came into power, we decided that the yearly increase will go directly to the parents, without any clawback from the government.

**Mr. Martiniuk:** You still claw back the original amount, but the increase can flow through.

**Hon. Mrs. Meilleur:** Exactly.

**Ms. MacDonald:** I do have the actual dollar numbers for the member, if you wish, sir.

**Mr. Martiniuk:** Yes. I'm sorry, are you saying that you cannot tell me at this time whether or not you are going to claw back the \$100-a-month allowance that is going to go families with children under the age of six?

**Hon. Mrs. Meilleur:** I can answer that. We said no, that we will not. Okay?

**Mr. Martiniuk:** I thought that's what you said. I just wanted you to clarify your answer. That's fine.

If we may now deal with the regional centres, I understand there are three regional centres in Ontario that are closing. What are they? There's one in Ottawa, I believe.

**Hon. Mrs. Meilleur:** One in Smiths Falls.

**Mr. Martiniuk:** Smiths Falls?

**Hon. Mrs. Meilleur:** Yes. Huronia in Orillia and Southwestern Regional.

**Mr. Martiniuk:** How many residents have been moved out of each of the three regional centres you've just named since Minister Papatello's announcement that they would be accelerating the closure in September 2004?

**Hon. Mrs. Meilleur:** Altogether there are 6,000 residents who moved out, and recently there have been 113 residents who have been moved out. The process and the schedule to move the residents out was, I will use the term "slowed down," because there was a court case. So we did not proceed, or we de-accelerated the placement of the residents, during that time.

**Mr. Martiniuk:** I see. So the answer dealt with the date after September 2004. I understand you're answer-

ing that 6,113 residents have been moved out of the three regional centres since September 2004.

**Hon. Mrs. Meilleur:** No. Before the decision, it was 113. I said 6,000 altogether.

**Mr. Martiniuk:** Yes. So how many residents have moved out of each of the three regional centres since September 2004?

**Hon. Mrs. Meilleur:** Since September 2004, I'll give you this information.

**Mr. Martiniuk:** Thank you.

**Hon. Mrs. Meilleur:** Rideau Regional Centre, 21; Huronia, 48; and Southwestern, 44.

**The Chair:** Minister, it's sometimes helpful if you can furnish us with a copy of that page, because it probably tells you the base number of residents, how many have been moved to date and how many are projected to move. That would be very helpful to the committee.

**Hon. Mrs. Meilleur:** Yes, I have the information. In Rideau Regional Centre, there are 396 residents; Huronia, 282; and Southwestern, 207.

**Mr. Martiniuk:** Perhaps you could provide the committee with that sheet.

**Hon. Mrs. Meilleur:** Yes, we will.

**Mr. Martiniuk:** Thank you very much, Madam Minister.

My second question is, how much money has this ministry spent since September 2004 to create new community spaces specifically for the residents of these three regional centres?

**Hon. Mrs. Meilleur:** How much money? I don't have the information right now, but we can provide that to you.

**Mr. Martiniuk:** Can you provide it? Is a time limit usually set, Mr. Chair?

**The Chair:** Yes. I suspect this ministry will be able to respond very quickly.

**Hon. Mrs. Meilleur:** Yes.

**The Chair:** We have a process and this ministry has a very good reputation with the Chair.

**Mr. Martiniuk:** Thank you, Madam Minister.

1710

**Hon. Mrs. Meilleur:** It will be our pleasure to give you the information. It's just that I don't have that at the tip of my finger.

**Mr. Martiniuk:** Good. Most co-operative, thank you.

How much money has been specifically allocated in this year's budget to create new community spaces for the remaining residents of the three regional centres? I would assume that you might need some time to get that calculation done; is that correct?

**Mr. Costante:** Yes, it is. There will be both a capital and an operating cost, so we'll get you both.

**The Chair:** Deputy, you do have the page in the estimates for developmental services, is that not correct? Could you not direct us to that page and then advise the member of the dollars that are committed, and then out of that he's asking how much is committed to community placement.



**Mr. Costante:** Sorry, I misinterpreted the question, because I thought the member was talking about the amount for the people who were moving from the communities, and I don't have that breakout. I can give him the total amount.

**Mr. Martiniuk:** The question is very specific: How much was specifically allocated in this year's budget to create new community spaces for the remaining residents of the three regional centres? In other words, those who have not yet moved, I assume.

**Hon. Mrs. Meilleur:** We have a number: \$70 million from now to 2009.

**The Chair:** The question was "this year."

**Hon. Mrs. Meilleur:** This year? OK.

**The Chair:** Again, I'll ask the deputy if he will direct us to the page in estimates, the page we will be asked to approve in less than six hours, the amount which is earmarked in this year, which is what the member asked.

**Mr. Martiniuk:** Thank you, Madam Minister. How much did the government spend to fight the court case against the families of residents of the three regional centres?

**Hon. Mrs. Meilleur:** I will not be able to answer that question, because it's—

**Ms. MacDonald:** If I may, we haven't fully—

**The Chair:** Please introduce yourself and wait for the microphone to come on, and then everybody will be able to read this forever.

**Ms. MacDonald:** Thank you, Mr. Chair. My name is Lynn MacDonald; I'm the assistant deputy minister for policy for the ministry. We would be happy to undertake to provide the answer, sir; however, we have not received the final bills from legal counsel. So what we could undertake to do is to provide you with the amount that we have paid to date and then we could update you later when we receive the final accounts.

**Mr. Martiniuk:** That would be most satisfactory.

Who recommends what facility residents of the three institutions should be moved to when they are transferred out of a regional centre? In other words, this deals with who does the recommendation as to where they go.

**Hon. Mrs. Meilleur:** We have a very good process that we have established. The family is consulted as to where they want this individual to move. There is a placement coordinator who works very closely with the family. Of course, it's always the best interest of the resident—like, we have seen sometimes where four residents had been living together in the same quarters for many years and they wanted to move out but together. They may have come from different areas—from northern Ontario or western Ontario—but they wanted to move together. So then the families will respect that. We have a very transparent, a very co-operative way to deal with it. Actually, I'm told that the judge in his decision and his comments was very complimentary to the staff on the way they were doing it. It's a team decision, but the family has to sign on to the process of where this individual will go.

**Mr. Martiniuk:** Does the placement coordinator have the right to recommend continued residence at the regional centre?

**Hon. Mrs. Meilleur:** The placement coordinators don't recommend. They will help the family to reach the decision of where this individual will go. Staying at the centre is not an option.

**Mr. Martiniuk:** Thank you.

**The Chair:** One more minute.

**Hon. Mrs. Meilleur:** I will add that it was part of the decision of the judge that staying at the institution was not an option. So everybody will be placed, but the family has to be very much involved in where individuals will go.

**Mr. Martiniuk:** Was the process for involving the family and gaining their approval changed at all after the court case?

**Hon. Mrs. Meilleur:** The family was always involved, but I think it was confirmed that they need consent. So yes, they were involved, but now it's very specific. They are developing a consent form process.

**Mr. Martiniuk:** Thank you very much.

**The Chair:** Thank you, Mr. Martiniuk. Mr. Prue—

**Mr. Costante:** I could answer one of Mr. Martiniuk's questions.

**The Chair:** We'll do that at the end of the rotation. Part of the process is that you can stack some of the responses and assist the minister when Mr. Prue's 30 minutes are completed. Mr. Prue, we're in your hands.

**Mr. Michael Prue (Beaches-East York):** Thank you very much. Just before—I do understand this will go over a number of days. Can you tell me approximately how many minutes I would have in total, so that I know how—because this is a very large ministry.

**The Chair:** There will be four hours remaining, so you can take a third of the four hours left.

**Mr. Prue:** So at least another hour and 20 minutes.

**The Chair:** You'll have an hour and 20 minutes—

**Mr. Prue:** After today.

**The Chair:** —after today, yes. You'll end up with just shy of two hours, total.

**Mr. Prue:** Terrific. Then I'm going to start with the area of child poverty. Madam Minister, the other day in the House you said that one child in poverty was too much. That was a pretty good statement. How many children are living in poverty in Ontario?

**Hon. Mrs. Meilleur:** I can tell you that there are about 200,000 children who are beneficiaries of a parent on welfare or ODSP.

**Mr. Prue:** A document entitled Putting Children First, from Campaign 2000, estimates there are 443,000 children. One out of every six children in Ontario lives below the poverty line. Would that be wrong?

**Hon. Mrs. Meilleur:** I wouldn't be able to answer that question because we don't have this information.

**Mr. Prue:** You only have the information of the children who are on either ODSP or general welfare—200,000 of them.

**Hon. Mrs. Meilleur:** Exactly.



**Mr. Prue:** Is that approximately the same number of children who existed in poverty when you came into government?

**Hon. Mrs. Meilleur:** When we came into government?

**Mr. Prue:** Yes, in 2004.

**Hon. Mrs. Meilleur:** I believe it's less children, but I'll ask staff to verify that.

**Mr. Prue:** Perhaps if they could, you could tell me how many less, if any.

**Hon. Mrs. Meilleur:** Yes.

**Mr. Prue:** My understanding is that the total poverty rate for children is stubborn at around 16%.

**The Chair:** Mr. Prue, we'll take that as a question. You're looking for statistical information, and if you'd just like to be more clear about the detail, that will go on the record and they will get that to you right away.

1720

**Mr. Prue:** If they only have one set of statistics—only those who are on general welfare or ODSP—I will take those. I would like to know the number. Today, it's 200,000. How much was it in 2004? If they have additional statistics on how many children of the working poor or those who are not on ODSP or general welfare—

**Hon. Mrs. Meilleur:** I can give you a percentage.

**Mr. Prue:** Okay.

**Hon. Mrs. Meilleur:** In 2003-04, it was 30% of children on both programs, but that doesn't give you the amount. It's just a percentage. So the fewer people on welfare—there may be fewer. In December 2005, it was 28%. So there was a reduction in percentage, but as for a number per se, we'll give you the information.

**Mr. Prue:** There were some questions you answered about the rate, and I don't think you actually understood Mr. Martiniuk's question, so I'll ask it again. I'm puzzled as to why he asked about 1995, the year that his government came into power, whether children were better off today than they were in 1995. I'd just like you to answer that again because I don't think you understood that. The welfare rate in 1995, before it was reduced by 30% or whatever it was—22%—you couldn't possibly have made that up. I don't mean make it up; I mean, made up the 22% with a 5% increase.

**Hon. Mrs. Meilleur:** No. I didn't make the connection of the reduction in 1995 because I didn't know exactly the year it was reduced, but I can tell you one thing: I was the chair of social services for the regional municipality of Ottawa-Carleton, so I know the impact that it had on the community. If the question is, prior to the reduction, I would say no, they were better off prior because there was a 22% reduction and now there is a 5% increase.

**Mr. Prue:** I just wanted to be clear, because the record definitely said something else. I'm trying to be fair here, too. That might be bizarre.

I'd like to get into that 5%. What has the inflation rate in Ontario been since 2004? There's been three years of inflation in Ontario. Has the three years in total been more than 5%?

**Hon. Mrs. Meilleur:** It was about 2% a year.

**Mr. Prue:** So that's 6%. My question then is, are the people actually worse off than when you took government? If inflation has been 6% and you've given them 5%, are they worse off?

**Hon. Mrs. Meilleur:** We gave them 5%, but then we stopped the clawback. That's in addition to the income, and also other benefits that the parents are entitled to. The 2% and 3% increases were not just on social assistance and ODSP but other benefits that they are receiving.

**Mr. Prue:** I'll get to that in a minute. But if you don't have any children and you are on either ODSP or general welfare, is it fair to say that you're worse off than when you took government?

**Hon. Mrs. Meilleur:** If we don't have any children?

**Mr. Prue:** If the people are on ODSP or general welfare and you've given them 5% and inflation is 6% and they have no children, are they worse off?

**Hon. Mrs. Meilleur:** Yes, unless they work, but if they don't work, you're right, 1%. But we are trying to remove all the barriers so that they can move to employment without any penalties. If they work, they can keep 50% of their income, to a limit. So they are better off.

**Mr. Prue:** And what is that limit?

**Hon. Mrs. Meilleur:** I'll ask the deputy to answer that question because it's to the point where they are off social assistance, so I don't know the limit exactly.

**Mr. Costante:** The limit will vary by case type. Our reduction is 50%. So somebody, if they were a single individual making \$536, if that was their benefit, would be generally off if they were making twice that amount. If they made a little bit less than that, they might get a tiny bit of welfare plus their single benefit.

**Mr. Prue:** So if they made \$536 from general welfare and \$200 in the month, you'd let them keep \$100 of it, so they'd go all the way up to \$636.

**Mr. Costante:** If they made \$200, they would get to keep their \$200, and we would make a \$100 reduction on their \$536. So they'd get \$436 from us and they'd get to keep \$200.

**Mr. Prue:** So in reality, they're \$100 ahead.

**Mr. Costante:** Right.

**Mr. Prue:** Minister, in the last election the Premier and many people, and the Liberal election platform, said that the clawback was "morally wrong"; I think those were the words. Do you still believe that it's morally wrong?

**Hon. Mrs. Meilleur:** I believe that we need to address the clawback, and that we have started to address it. We wanted to make sure that we improve the situation of the children, so that's why we have stopped the clawback of the increase. I have asked the ministry and my parliamentary assistant to look into how we are going to proceed, what we're going to do for the children. There are different options that are before us. We also have to take into consideration part of the money from the child benefit that was invested for children in treatment centres and other children's services.

**Mr. Prue:** In the House, figures have been used that it is about \$220 million that the federal government gives for children that your government claws back from welfare and ODSP recipients. Is that a correct amount?

**Hon. Mrs. Meilleur:** Yes, \$220 million is an amount—I'm going to check, but it sounds right.

**Mr. Costante:** I can clarify. The latest numbers we have are for 2004-05, and it was \$220 million. The provincial share was \$176 million and the municipal share was \$44 million.

**Mr. Prue:** Can you explain to me the municipal share?

**Mr. Costante:** Cost-sharing for both ODSP and the Ontario Works program is 80-20. So if the benefits are reduced, then both the municipal and the provincial treasuries have that advantage.

**Mr. Prue:** And you forward to the municipality, I guess, the \$44 million that's saved.

**Mr. Costante:** The municipalities pay welfare directly and we reimburse them, so they would, in effect, pay less. Then we send them our 80%.

**Mr. Prue:** Okay, I understand the process.

Madam Minister, is there something you wanted to add?

**Hon. Mrs. Meilleur:** What I want to say with regard to the child benefit is that we also have to work with the municipalities, because the municipalities will not receive the amount. So in making our decision we have to work with municipalities, with AMO and AFMO.

**Mr. Prue:** A great many municipalities, including the bigger ones—Ottawa, Toronto—have passed resolutions asking that the government end the clawback. Is that your understanding?

**Hon. Mrs. Meilleur:** I know that we received one from the city of Ottawa recently. Perhaps the assistant deputy can answer the rest, but since I've been the minister, I've seen one.

1730

**Ms. MacDonald:** We have received a number of municipal resolutions asking that the clawback on the NCB be eliminated. In addition, as one would expect, they ask that the savings that they currently receive continue to flow. They're asking that the clawback be ended and that they not lose the money that they currently receive as a result of the clawback. Because not only are the savings invested provincially through the Ontario child care supplement for working families, children's mental health and children's treatment centres, so too are municipalities reinvesting their savings locally—in different ways in each municipality but always on benefits for children.

**Mr. Prue:** Is the entire \$220 million that is clawed back spent on these programs?

**Ms. MacDonald:** Yes, that's my understanding, sir.

**Mr. Prue:** Can you tell me which programs and how much?

**Ms. MacDonald:** I've named the provincial programs and I can find out the exact dollars for each of those. Just to repeat the names, they were what's known as the OCCS, the Ontario child care supplement for working

families, and we'll get you the exact amount for that. Children's mental health programs—

**The Chair:** A little louder into the microphone, please.

**Ms. MacDonald:** Children's mental health programs is the second major category, and children's treatment centres. We'll get the exact amounts for you.

**Mr. Prue:** I just want to make sure that I've got this correct. I take you at your word that these are the—it means that the children of families on social assistance or ODSP subsidize or pay for the programs of other children—and maybe themselves too, but other children in those three areas. That's where a good deal of the money comes from.

**Ms. MacDonald:** Families on social assistance and some families on the Ontario child care supplement for working families, which is administered by the Ministry of Finance—families can benefit from both benefits, both the NCB and the OCCS, the supplement for working families. I couldn't tell you what proportion of families whose children are benefiting from children's treatment centres or children's mental health would also be on social assistance. We may be able to find that out for you.

**Mr. Prue:** But the poorest of the poor kids are subsidizing kids and the families of kids who may not be poor at all. Is that a pretty fair way of putting it? If you're a middle-class person and your child has some mental health issues, you're getting this service subsidized by the family of a poor child. That's the reality of this program.

**Hon. Mrs. Meilleur:** I don't think we can talk about a subsidy, because we cannot divide it like this. When we have \$20 million going to children's mental health and \$22 million going to children's treatment centres, I don't think we can say poor children subsidize rich children. I see that \$134 million goes to the Ontario child care supplement for working families, so it's not rich families that use these services. I wouldn't characterize that as the poor subsidizing the rich.

**Mr. Prue:** Well, the poor subsidize everyone else, because they're the only ones paying it out of the clawback.

**Hon. Mrs. Meilleur:** It was an option that was offered by the federal government when they put forward this program. The government of the day decided that was the way they were going to proceed. As I said, we are looking at this issue very carefully. We have other partners with us and we hope that we will find a resolution sooner than later.

**Mr. Prue:** Is it your plan to eliminate this in next year's budget cycle?

**Hon. Mrs. Meilleur:** I cannot answer that today.

*Interjection.*

**Hon. Mrs. Meilleur:** Pardon? Give me a few months more—

**Mr. Prue:** I think there's a little bit of coaching from over there.

A few months? In a few months, in September, you'll be able to answer this question if I stand up one day in the House and ask you?



**Mr. John Wilkinson (Perth—Middlesex):** What estimates are we giving? This year's or—

**The Chair:** Mr. Wilkinson, please.

**Mr. Prue:** Is it a plan? Other provinces far poorer than us—New Brunswick and Manitoba—have been able to eliminate the clawback.

**Mr. Wilkinson:** With Ontario's money—

**Mr. Prue:** I don't think that Mr. Wilkinson should be answering the question, with the greatest of respect, or is that a heckle?

**The Chair:** I wouldn't take his comments seriously or otherwise. Please proceed.

**Mr. Prue:** Okay, I'll ignore them.

**The Chair:** If it persists, the Chair has options.

**Mr. Prue:** All right. Other provinces—Manitoba and New Brunswick—have been able to do that. Is it your wish that Ontario do that in the next budget cycle?

**Hon. Mrs. Meilleur:** I cannot answer that question today.

**Mr. Prue:** Okay. How much time do I have, Mr. Chair?

**The Chair:** You have about six minutes.

**Mr. Prue:** Then I'd better stay on this one. I was going to go off, but with six minutes—

**The Chair:** No, it's about eight minutes, actually.

**Mr. Prue:** Then this will give me time. I'm going to follow the same general format of my colleagues from the Conservative Party. They asked welfare questions and then went into the whole question of the developmental services agencies.

Just a couple of questions to clarify what you had to say when you started that discussion: You made a statement that the policy has been in place since 1987, when the Peterson government announced a 25-year plan for full closure. If my mathematics is correct, that would take that to 2012. Can you tell me why this government has speeded up the process?

**Hon. Mrs. Meilleur:** I'm not sure. I'm going to turn over to the deputy why we decided to speed up, because the process was well under way.

**Mr. Costante:** As I understand it, the policy direction back in 1987 was to close them within 25 years, not at exactly the 25-year point. The government made a policy decision to proceed. We wanted to proceed, making sure that we would do a good job in relocating residents. But we also knew that transition is a time of stress, so we wanted to do it trying to balance moving expeditiously with a proper plan that made sure we looked after our residents appropriately. It was decided, in the fall of 2004, that we would do this by March 31, 2009, which we think provided that right balance.

**Mr. Prue:** So was this a decision of the incoming government or a decision of the bureaucracy? The timing would suggest to me it was government.

**Hon. Mrs. Meilleur:** This was the decision of the government. I hope that I don't hear from you that it's not the right thing to do, because there have been many studies done over the years that we should close these institutions. These institutions were opened for a reason, many years ago, when we had orphanages and asylums.

It was the understanding of the time about the way to deal with people with developmental disabilities. Study after study has shown that's not the proper way to treat these people and they should go out—

**The Chair:** Minister, thank you. You've answered the question. You do have a time after this to respond more fulsomely.

**1740**

**Mr. Prue:** Don't ascribe motives to me. I'm just trying to make sure that if it's done, it's done properly—all parties have supported closing them, including ours—and that it's done in conjunction with what the families want, that they don't end up in court, that the staff is treated appropriately and fairly, and that the people are not subjected to any undue stress. If that's speeded up, I need to know why. It was a government decision and I accept that.

You talked about the new funding being permanent. It "brings the government's four-year funding increase for community-based developmental services to a record \$276 million," which doing simple mathematics is \$69 million a year; you said this year it's \$70 million, so that's about on point. Can you tell me how much of that is going for wages and how much is going for new facilities?

**The Chair:** Deputy, can you help?

**Mr. Costante:** Are you talking about wages in the community sector or wages—

**Mr. Prue:** In the community sector. That takes a great deal of money.

**Mr. Costante:** I don't think we can accurately answer that. We pay a certain amount to the agencies. They all bargain, themselves, individually. We do know from the annual budget reconciliation that most agencies would spend about 80% of what we give them on wages. I can give you the total amount we will give to community agencies, but the calculation of how much of that would go for wages is a little rough.

**Mr. Prue:** The reason I'm asking this is that the minister has said, and past ministers have said and past governments have said, that the people who work in the developmental sector do not earn great amounts of money. It is not a highly paid sector: \$12 or \$15 per hour is not unusual for people to earn in that sector. The minister made a statement today that wages are increasing. That's correct; I did hear what you said. I need to know, when the talk is here, how much is going into wages and how much is going into the building of new facilities that potentially will house the people who are leaving the institutions. That's what I'm trying to figure out, where that budget is.

**Hon. Mrs. Meilleur:** I will say that the money is given to the institutions and they are the ones negotiating collective agreements with their employees. So there is a part that will go to salaries. To tell you exactly how much, I don't think we can answer that.

**The Chair:** Minister, I'm going to ask the deputy to bring to the attention of Mr. Prue the page in the estimates where your transfers to agencies are and to ask specifically if you have a dedicated envelope for bump



funding, as we refer to it around Queen's Park, dedicated dollars for staff salary enhancement. I guess you've answered that you haven't dedicated those dollars. So could we get a breakdown in the estimates, show us the page, the difference between capital and transfer to the agencies, please.

**Mr. Costante:** The page for operating for residential facilities in the community is on page 101 and it totals 716,905 in 2006-07. That would be for a combination of group homes and family situations. Some people live in supported independent living—

**Mr. Prue:** That's \$700,000 you said?

**Mr. Costante:** It's \$716 million.

**Mr. Prue:** Okay. I think you said thousands; \$716 million.

**Mr. Costante:** Almost \$717 million, and if you take my rough rule of thumb, because agencies decide how much goes into wages and how much goes into other costs, for 80% of that, we'd be talking somewhere over \$550 million that would go into wages.

I should mention that included in there this year is \$30 million for agencies; 2% or \$19 million of that is given to them as a lump sum and, again, they can use it for wages, which they primarily will, but they can also use it to offset their other operating costs like the cost of lights or to buy supplies or whatever. Then there is \$11 million in this year's budget that we will work with the agencies sector on to provide an increase to the lowest-paid individuals in the sector. You mentioned earlier there were some low-wage individuals.

**Mr. Prue:** Do I still have time left, Mr. Chair?

**The Chair:** Yes, you do.

**Mr. Prue:** Madam Minister, you made the statement that you are creating nearly 2,180 new residential spaces, including 1,000 for residents leaving the province's institutions and another 1,180 for those who already live in the community. When are these spaces due to be completed?

**Hon. Mrs. Meilleur:** For the ones who are leaving the institutions, from now to 2009.

**Mr. Prue:** And the other 1,180?

**Hon. Mrs. Meilleur:** For the others, it's the same thing, within the next three years.

**Mr. Prue:** So the money that has been earmarked in this year's budget and potentially in future years' budgets—they are to be built by 2009. How many are under construction or occupied this year? Are there any?

**Hon. Mrs. Meilleur:** We don't have this information now, but we can get it.

**Mr. Prue:** How big is the waiting list? If I can remember the waiting list, 1,180 people would be a pretty small dent in the number of people who are looking for residential care in a group home or a facility. There's a seven-year wait in Ottawa, as I understand it.

**Hon. Mrs. Meilleur:** With regard to the waiting list, we have difficulty evaluating that because there are different points of entry. We want to streamline this. I'll say to you that sometimes a family will put their child on more than one waiting list or, because they know that they may have to wait a long time to have a place for

their child, they will put down their name perhaps three, four or five years before they really need it, because they want to make sure, especially those parents who are aging, that they will have a place for their children. So it's difficult to know exactly how many people are on the waiting list, but there is money in the budget this year to address this problem.

**The Chair:** Final question, Mr. Prue.

**Mr. Prue:** If it's the final question, then there's money this year to address the problem, that is, to find out how many people are really on the waiting list or to start building the housing? I'm not clear.

**Hon. Mrs. Meilleur:** Both.

**Mr. Prue:** So you are going to be finding out and you would be able to tell us by this time next year, if you are called again, how many people are actually on the waiting list in Ontario?

**Hon. Mrs. Meilleur:** I hope so.

**The Chair:** Thank you very much, Mr. Prue.

Minister, you have about 15 minutes to do any responses to questions or statements made by the official opposition and third party.

**Hon. Mrs. Meilleur:** I just wanted to talk about what Monsieur Prue raised with regard to the closure of our institutions. We know that it has been difficult for some families, because they felt secure to have their children or their brother or sister in these institutions and they didn't need to worry if something happened to them. However, there have been many studies done over the years, and every study was unanimous in saying that this is not the way to continue to serve these people. That's why, in 1987, the decision was made and supported by every government.

I have to tell you that I met parents and staff in the Rideau Regional Centre last Friday, and I was reassured that the process that they are following is a very good process, that they have compassion. They work very closely with the families and they have the best interests of these residents at heart.

I wanted to assure every one of you that the process will continue, but it will be done in a very compassionate manner.

1750

Are there any other questions that I should address?

*Interjection.*

**Hon. Mrs. Meilleur:** You have comments? Okay.

Deputy, you have an answer for Mr. Prue's question.

**Mr. Costante:** Sorry, Minister, it's one on Mr. Martiniuk's questions. It was the total operating and capital that we have in this year's budget to assist people leaving facilities. You will find our total capital budget on page 117 of the estimates; \$24.7 million of that will be used as capital funding to build residence to assist people leaving the facilities.

On page 101 you will find our operating budget; \$12.8 million of that will be used for people leaving the facilities this year to operate residence that we will build.

**Mr. Martiniuk:** That was \$12.8 million?

**Mr. Costante:** Correct.

**Ms. MacDonald:** Also in response to Mr. Martiniuk's question about the absolute dollars for flow-through of the NCB, sir, I've given you the figure of 15.7%, which incorporated the two rate increases, the 2% and the 3%, and the three years' worth of permanent NCB flow-through for the increments. I'd said that amounted to 15.7%.

In absolute dollars, the example I have is that a sole-support parent with two children, on Ontario Works, who is in receipt of the national child benefit supplement, would be better off by \$1,620 compared to 2003-04. That breaks down into \$672 from the 2005 social assistance rate increase, together with the new rate increase that the minister has just announced, as well as \$948 from the government's decision to flow through the incremental federal dollars for 2004, 2005 and 2006. So that was a sole-support parent with two children.

**The Chair:** We have 10 minutes before our vote. Are there any other comments the minister wishes to make at this time?

**Hon. Mrs. Meilleur:** I don't have any comments.

**The Chair:** Mr. Wilkinson.

**Mr. Wilkinson:** Mr. Chair, with your indulgence, since we have five minutes, I know our colleague Mr. Parsons is here today. He has one brief question for the minister, as part of the government time.

**The Chair:** If the minister is willing; it's her time. If she'd like to use it that way, I'm comfortable.

**Hon. Mrs. Meilleur:** Yes.

**The Chair:** Mr. Parsons, if you'd like to ask a question.

**Mr. Ernie Parsons (Prince Edward-Hastings):** I'd like to ask a question about a part of your ministry that doesn't get as much media, perhaps, but does superb work.

I was about five years old, I think, the first time I saw my father beat up my mother—not the last time. You had a section in your opening statement referring to women's services that probably could be called “women's and

children's services.” Back in 1950-51 there was no option available to women other than to stay at home and put up with it. There was nowhere else to go.

I've looked at the numbers that your ministry spends on women's shelters and second-stage housing. I'm just curious, because I think society needs to be aware of the magnitude and the seriousness of the issue: Do you have any sense, if we translate from dollars, how many women and children's lives were changed each year by these shelters and by the second-stage housing and the supports that are provided for families?

**Hon. Mrs. Meilleur:** How many children? It depends on what service. For counselling, for instance, we've served 60,000 women and 12,000 children; for transitional housing and housing support, 14,000 individuals; for early intervention, 3,000 women and 5,000 children annually. I can go on, but you're right: There is a lot of need out there, and we need to help these women move from the shelters so that the shelters can serve other women.

As you know, I've been very involved in that area in my own riding. It's always amazing: It could be someone very close to you who needs these services, and you probably don't know about it because it's a best-kept secret. That's why this government put forward more educational programs, and also more eyes on the street to be able to identify children or women in situations of violence. I'm going to talk about the program that we have initiated in schools to train the teacher, the receptionist, the secretary, the bus driver in how you can recognize that a child is in a situation of violence at home or is a witness to domestic violence. So there is a lot that is being done, but there is more to be done.

**The Chair:** Thank you very much, Minister.

This committee stands adjourned until Tuesday, May 16, when we will reconvene in this room to continue with the estimates of the Ministry of Community and Social Services.

*The committee adjourned at 1758.*









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## **Assemblée législative de l'Ontario**

Deuxième session, 38<sup>e</sup> législature

# **Official Report of Debates (Hansard)**

Tuesday 16 May 2006

# **Journal des débats (Hansard)**

Mardi 16 mai 2006

## **Standing committee on estimates**

Ministry of Community  
and Social Services

## **Comité permanent des budgets des dépenses**

Ministère des Services sociaux et  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 16 May 2006

Mardi 16 mai 2006

*The committee met at 1556 in room 151.*MINISTRY OF COMMUNITY  
AND SOCIAL SERVICES

**The Chair (Mr. Cameron Jackson):** I'd like to call to order the standing committee on estimates. We'd like to welcome the Minister of Community and Social Services. Minister, we have approximately four hours till we are completed this round of estimates. I wonder, do you have any additional answers or responses? No? Thank you. These are the most current. These have been circulated by the clerk.

Then we're going to, by agreement, start the rotation again. I will begin with Mr. Martiniuk. Since it's the top of the hour, these will be 20-minute rotations. We're in your hands, Mr. Martiniuk.

**Mr. Gerry Martiniuk (Cambridge):** Thank you, Chair. Mr. Dunlop will lead off.

**Mr. Garfield Dunlop (Simcoe North):** Thank you very much, Mr. Chair, and to my colleague Mr. Martiniuk and to the minister.

Minister, all of my questions today will be on the closure of the three regional centres. I'd like to start out by saying I'm not sure if you've visited many of the regional centres, but I think it's important to note that when this closure date was announced, it was fairly devastating to a lot of the communities and a lot of the family members. I wanted to put that on the record because the family members of course must be writing you letters on a day-to-day basis, as they are me. They would still like to see some kind of a safety net put in place.

My first question, though, if I could—and please feel free to get back to me at a future date if you don't feel comfortable answering it now. The one in particular I'm thinking of, the Huronia Regional Centre in Orillia, is on a very large piece of property that at one time held substantially more clients than are there today. Today, agreements have been made with the Ontario Provincial Police and the Ministry of the Attorney General, and they actually occupy buildings that were previously occupied at one time by Ministry of Community and Social Services employees and the clients.

I know a lot of people in my community are very concerned. There's still about 20 acres of property that house residents of the Huronia Regional Centre. I'm

wondering when we can expect your ministry to declare the balance of the properties surplus because, if I can tell you, there's a great deal of interest from groups like the OPP and possibly other ministries, the city. We've even got a possible proposal for maybe a satellite campus at that site from Lakehead University. Can you give me a date when your ministry would declare the other buildings on the property surplus?

**Hon. Madeleine Meilleur (Minister of Community and Social Services, minister responsible for franco-phone affairs):** First of all, I have a question for you. When you talk about how people were devastated when they heard that the institution was closing down, was it in 1987 when it was first announced that all three facilities would be—

**Mr. Dunlop:** No, it was on September 9, 2004, when there was a final date put on it, because we felt that the services would be put in place and that the family members and the community would have an opportunity to give a review before a final announcement was made. What actually took place was that we had a deadline put in place and, with or without the services being put in place for the people that were in these three facilities and/or those that were not in facilities across the province and other areas, we were devastated to learn that a decision had been made.

When these facilities are closed, the safety net that they provide now is gone. You have to remember that the 1,000 people that remain in these facilities are the most high-needs people left of any of the closed facilities.

**Hon. Mrs. Meilleur:** I wanted to remind everyone that the closure of the facilities was announced in 1987 and was supported by following governments, including your government. I wanted to reassure you also that for the approximately 1,000 residents who are still in the three facilities, before they leave the institutions there is planning that is being done. The planning is being done with the best interests of the residents at heart. The family is involved.

I wanted to answer one of the questions that you had: how many facilities? In my five weeks, I've visited one facility. As you know, changing a ministry in the middle of the session—I concentrate my time and energy into learning about my new ministry. But I will visit the two others.

To answer your question about if and when I will announce what we will do with these three facilities, I



have to refer that to the Ontario Realty Corp. They are the ones dealing with the facilities and they are the ones negotiating with possible buyers. I will have to refer that to Ontario Realty. I cannot answer that question.

**Mr. Dunlop:** That's contrary to what the ORC are telling us. They're telling me that your ministry has to declare those properties and those buildings surplus in order to sell or lease, whatever it may be, to another ministry or to a municipality. If it is the ORC, I'm going to go back and tell them that that's what you said, because I've got people who are interested in some of those empty buildings.

**Hon. Mrs. Meilleur:** I'm sorry, I didn't understand your question, meaning, when would the last person be leaving the institution? I cannot say that today, because all these people leaving the facilities, we are working very closely with the families and we are looking in the communities where they want to go, working with the service providers in different communities to make sure that when they leave the facilities they have a very welcoming milieu to welcome them.

I cannot today, but we can get back to you on when approximately we plan to do that. I think in Huron there is somewhere around 300 hundred people or less than that who need to be placed in the community. It's not a process that we want to rush because we have the best interests of the residents at heart.

**Mr. Dunlop:** Minister, I clearly understand that. The schedule said March 2009. I've actually seen a plan that most of the residents would probably be moved out by that point, March 2009. What I was trying to ask you is, the vacant buildings that sit there today—I mean, we're talking about a 300-acre site in Orillia. There are a number of vacant buildings. I'm told by the Ontario Realty Corp., because you've already moved—let me put it this way: The Office of the Attorney General is already using one of the buildings as a courthouse. The OPP cadet program is in another building. What I'm saying is that there are a number of vacant buildings that you may be able to capitalize funding for, receive money for, either from a municipality or from another ministry, but they tell me that you have to declare those buildings surplus. I'm going to guess there are over one million square feet of buildings available right today that could be declared surplus. I'm not asking you about the last client. You could declare those buildings surplus today, as opposed to when the last client leaves the facility, because you've already made the buildings surplus.

**Hon. Mrs. Meilleur:** I'm told by the deputy minister that by the fall we will have a pretty good idea when we will declare these buildings surplus. There are two ways to look at it: Do we want to sell the property separately, in separate pieces of land, or do we want to look at it as an entity? Those are the discussions that are going on right now with the Ontario Realty Corp. I can tell you that by this fall we will have a pretty good idea of what we're going to do and when we're going to declare these pieces of land and these buildings surplus.

**Mr. Dunlop:** That's the answer I was looking for. Thank you.

There are a couple of examples I had. I've been getting a number of letters, and maybe you can or cannot answer these questions.

**Hon. Mrs. Meilleur:** If I cannot, I have people around me who are very well informed about what is going on. We want to give you the best answer, the most accurate answer.

**Mr. Dunlop:** A gentleman from the Rideau Regional Centre was moved out in September last year. His name is Mark Rivet. It caused quite a disturbance in his life and he tried to escape approximately 11 times from the facility he was in, the group home that he was located in. He was eventually arrested and put in jail. I want to know if you can tell me where he is today.

**Hon. Mrs. Meilleur:** As you know, I cannot discuss particular cases publicly. So I am not prepared to answer that question.

**Mr. Dunlop:** Okay. In Chatham, on Taylor Avenue, there has been a new building built apparently. It's a group home. The parents' association is questioning the area that it's in. There has been a lot of violence in that area and a lot of crime. They're questioning what your criteria are for funding group homes in particular areas in communities. They're saying that this is a very poor place, on Taylor Avenue in Chatham, to have a new group home. Can you give me the criteria?

**Hon. Mrs. Meilleur:** I will ask the staff to answer that question, but let me assure you that when we negotiate with an organization to open a group home, we have the best interests and safety of our residents at heart. I would be very surprised that we have picked an area like this, but to talk about the criteria, I will turn it over to the deputy minister.

**The Chair:** Deputy, please introduce yourself.

**Mr. Kevin Costante:** Kevin Costante, Deputy Minister of Community and Social Services. In terms of criteria, the main criterion that is used is actually the local zoning bylaws of the communities. I can't talk about the specific case on Taylor Avenue; I'm not aware of it. In most communities, that requires that group homes be spaced apart. It also depends on the availability of land or a building that is large enough for the uses that we have. So there's a whole series of considerations that go into play.

I should also say that I think it has always been the practice of the ministry and the government of the day to make sure that facilities are spread throughout communities and that they're not highly concentrated in one area. Again, I can't speak to the specifics of Chatham, but I think it is normal in communities that group homes in other sectors, like young offenders etc., are spread throughout communities in all areas and not excluding areas or too heavily concentrated in a particular area.

**1610**

**Mr. Dunlop:** Thank you very much. Another question to the minister or to the deputy: The previous minister said that \$192 million had been committed in spending over four years to community supports and facilities for developmentally disabled Ontarians. This plan includes

the building of 390 new homes, including 90 homes for individuals with high needs. Can you tell me what the staging plan is for the spending allocations and how soon these facilities will be in place?

**Hon. Mrs. Meilleur:** First of all, in 2005-06 we created over 658 spaces and so far in 2006-07 we have 269, for a total of 927 permanent community spaces. In capital dollars, this represents \$25.2 million. We are planning and we will have others in construction. I'll ask the deputy to give us—it's the dollar amount that you wanted?

**Mr. Dunlop:** Yes, how much has been spent to date out of that 2004 announcement that Minister Papatello made at the time?

**Hon. Mrs. Meilleur:** In 2004-05, it's exactly what I gave you.

**Mr. Dunlop:** Okay. Are you saying, then, that the 900 spaces you just mentioned are for the 1,000 people who were remaining in the three regional centres, or is that for some of the thousands of other people who are looking for facilities at this time? It's my understanding there are over 6,000 people in the province who are without these facilities, without space for these facilities.

**Hon. Mrs. Meilleur:** Those are not only for those leaving the residences.

**Mr. Costante:** I may have to get back to you, because there have been several announcements about new spaces in the community, but I think prior to 2009, since the fall of 2004, the government has announced 2,180 spaces; 1,000 of those would be for individuals from the facilities and 1,180 for individuals who were living in the community. Some of them were young people who were in children's aid societies, who, once they turned 18 or 21, move into the adult system. Some of them were new group homes or supported independent living or family home situations for individuals who were home with aging parents who could no longer look after them. We could get you the year-by-year breakdown, but I'm sorry, I don't have that with me.

**Mr. Dunlop:** I would appreciate that, because that seems to be an area where there's a lot of misunderstanding or people aren't clear on the exact numbers, particularly the number of people. There are a number of people across the province who live with parents who are aging, and I'm told that that, along with other folks, amounts to over 6,000. We need spaces for those people before we start moving people out of the regional centres. That's one of the arguments that many of the parents' organizations have put forward.

**Mr. Costante:** I think historically—because I've personally been involved in the last round of depopulation from facilities—we try to do both at the same time. There is a demand coming from the community that needs to be met and we also try to do the facility depopulation at the same time. We have a total of approximately 14,000 residential spaces already out in the community. So yes, there were the 6,000 who left the community, but there are people who have never been in an institution and went straight into supportive independent living or group homes.

**Mr. Dunlop:** I understand that, and there's more to come, I believe. There are quite a few more to come.

**Hon. Mrs. Meilleur:** If I may add, of the 927 that I've talked about, only 118 were for those leaving the institutions.

**Mr. Dunlop:** Only 118?

**Hon. Mrs. Meilleur:** Yes, because those are the ones who have left the institutions since 2004.

**Mr. Dunlop:** Okay, I appreciate that. Thank you very much.

Mr. Chair, how much time do I have on this round?

**The Chair:** About three or four minutes.

**Mr. Dunlop:** I attended a lot of the parents' meetings. You've got to understand that in a community where you're losing 700 jobs and it's part of the culture of the community, it's a fairly important and a high-level issue to the citizens of the community, and particularly the family members who travel to that community to see their loved ones.

One of the things that I'd like to get your comments on: The existing services in a facility like the Huronia Regional Centre, where they had dental care and access to doctors, a therapeutic pool and a kinesiology room—people were pretty happy in that facility. They didn't have a lot of complaints about it. We were told that wherever they would go, wherever the clients were moved to, they would have equal or better services. Can you tell me what kind services people can expect in one of the facilities that would include one of the 118 beds that you just mentioned a moment ago? What kind of service could those people expect? Are they guaranteed a doctor? Can they get dental treatment, that type of thing? Because the people are telling me that they can't get it, it's not available.

**Hon. Mrs. Meilleur:** I will say to you, yes. Of course, it's not within the facilities like it was at Huronia or the Rideau Regional Centre, but we have created four—how do you call them?

**Interjection:** Specialized networks.

**Hon. Mrs. Meilleur:** —specialized networks that specialize in treatments for those with developmental disabilities. I will ask the assistant deputy minister to speak about that.

**Ms. Lynn MacDonald:** Lynn MacDonald, assistant deputy minister of policy.

In addition to the four specialized networks that the minister—perhaps I could expand a bit on the four specialized networks, to start with. Those networks were intended to build on practitioners who are already in the field, together with allied academics who are leading research in the field. We're bringing those resources together in four specialized networks across the province, with the intent that they would have an outreach capacity to other professionals in the community. They would be able to help train and expand the knowledge base of medical practitioners, nurses, dentists, occupational therapists etc., in the different areas.

What we've also done is we've invested in a series of pilot video services, if you will. What we've done is that



in the southeast and southwest—I think I've got the location correct—over the last 18 months we've built a capacity through video conferencing facilities, not to bring the client to the professional, but in effect to bring the professional to the client. In northern Ontario where, as you know, there is a dearth of professionals generally, we didn't want to have to bring our developmental services clients down to Kingston to receive services, so we've run some pilots that have been enormously successful in actually using video conferencing to do case analysis and to bring advice to local nurse practitioners in a community, looking at exchanging views with the client, the resident in northern or other isolated locations.

The third element that we've done that we're very pleased about it is that we created a new little program last year, just to see how it would work. I'm not going to remember the proper name for it—forgive me—but it was intended to expand the training and recruitment of professionals in the field of specialty services for developmentally challenged residents. I had an e-mail only last week from the Centre for Addiction and Mental Health here in Toronto, just as an example, to mention that they have had two students over the last year—one is a nurse practitioner, extended class, and one is an occupational therapist—expanding their knowledge base through practical, focused training on the job in working with developmental services clients, and essentially asking us, given the success of those students, could we provide them with more this year?

There's a range of things that we're providing, recognizing again that this is within a context where not everyone in the province, whether they face this particular challenge or not, can readily access specialized resources.

1620

**Hon. Mrs. Meilleur:** I wanted to add that we don't let individuals leave these institutions prior to having connected them with a doctor or a dentist etc.—the professionals. We don't think it's proper to do that. When the placement coordinator works with the family and the receiving organization, we make sure that this is in place before the individual will leave the institution.

**The Chair:** Thank you very much, Minister. I'd now like to recognize Mr. Prue.

**Mr. Michael Prue (Beaches—East York):** Thank you. I'm going to start on the same one so we don't get confused. On the last day I was also asking questions about the regional centres.

I've heard what you said about the doctors and dentists and the videoconferencing, and I'm going to leave that where it is. But I'm curious to know how many of these new centres, how many of these new places where people are going to be moved into will have a swimming pool. The one they're in now has a swimming pool. How many of them will have sensory units? And I've been in there and seen the sensory units. How many of them are going to have kinesiology? Because they've got a pretty good program. Obviously, if you've got five or six people in a house, that's not going to happen. How many of them are going to have the kind of facilities people have there now?

**Hon. Mrs. Meilleur:** I will ask the deputy to answer that.

**Mr. Costante:** I think what happens, Mr. Prue, is that for each person there's a plan. If the person likes to bowl, the local community agency makes arrangements to do that—or to use the local pool. Most communities have a lot of facilities, some of which weren't available within a facility. I think almost every group home in this province has a van or some sort of transportation. I think our Community Living agencies across the province have been hugely creative in connecting up the thousands of individuals who are out there now into everyday community activities like everyone else in this room uses. That is the philosophy and that's what we've been doing. I think they do a lot of that and there are a lot more opportunities. Yes, the swimming pool is not down the hallway. It does require a van ride. But I think what we've striven to do is to actually have people be active members of their community, as much as they possibly can, and to broaden the number of opportunities available to them, not to lessen them.

**Mr. Prue:** The families have told me of some of the wonderful things that happened at Huronia: the picnics by the lake, the parade that winds its way through the grounds of Huronia from Orillia a couple of times a year, those kinds of things. Can these residents expect these things?

**Mr. Costante:** I know that many of the Community Living associations have trips to ballgames at the SkyDome or Rogers Centre, whatever it's called these days. I think they're wonderfully creative in getting them involved. I suspect there are people with developmental services who attend the Easter parade in your riding.

**Mr. Prue:** Oh, for sure.

**Mr. Costante:** I think that's the spirit that this whole movement has been trying to take place over 50 years. I think they're very creative about it. So I think the people in the community settings enjoy equal, if not superior, opportunities to be involved in their community and meet a wide range of people in everyday life.

**Mr. Prue:** I would grant that that is the case for a great many people with developmental disabilities. There are people, though, in the facility—I went into a room with 20 men with pica. I had never seen that before in my life. It was, for me, a horrendous experience, these men walking around trying to pick things out of the wall to eat, and no skills in terms of verbal skills or anything—gloves on their hands to stop them, staring blankly. They have to be literally guarded 24 hours a day so that they don't eat things and do things. I see how the swimming pool can work for them and I can see how the sensory room can work. Quite bluntly, it's a hard question to ask, but I have to ask it: What kind of community support could there be for these 20 men? Where could they be taken? What could they do in the community?

**Mr. Costante:** The condition you talk about is called pica. We have many people who are in community settings now who have pica.



Again, we have to be very cautious with the people for their own health and for other people. The community agencies have higher staffing levels around individuals with higher needs, some of them maybe including pica. Many community living agencies have Snoezelen rooms, which are the rooms that you're talking about. They can enjoy these outings just like everyone else. Yes, it requires extra vigilance and care, but for the most part, very few people in the last 30 years have gone into facilities. The vast majority have been going out.

There are many, many people who've never been in the facilities who have pica, who are in communities and have been in communities and enjoy these same things. It does require care and attention; no question.

**Mr. Prue:** A question was asked of the minister yesterday in the Legislature about a group called Ongwanada, which is setting up group homes and facilities in Kingston. What they're saying is that no skills are required to run one of these group homes; no training is required; you need insurance, you need a fire certificate, but you don't really need to know anything. Is this the reality? Is the ministry setting up homes like this? Are you contracting out to homes like this?

**Hon. Mrs. Meilleur:** I will ask the deputy to answer that. But I want to tell you that we have reviewed what was in the paper, and it was stated very clearly that there is training provided. They may not have training when they come in, but I'm told that a lot of the facilities have individuals with special training. When they cannot find people with special training, they are trained on the job. I will turn it over to the deputy to answer the question.

**Mr. Costante:** First of all, if I can back up, the program is called the Familyhome program. It is a program that is designed for higher-functioning individuals. It does operate like a foster-care-type approach. To my knowledge, the agencies that offer this offer training. The particular ad that was quoted yesterday, a quote from the ad says, "We provide ongoing training and support from our professional staff and good remuneration." They provide professional backup to those. That's one aspect of the answer.

The other aspect: For every individual leaving a facility, we do have a planning coordinator, as the minister mentioned. There's a very detailed plan made of their needs and issues, challenges and the things that they like to do. We're very careful, I think, at trying to match those up. Added on to that—we practise this, and the court reinforced it: It requires the consent of the family.

I think we're very cautious not to put people in inappropriate situations. We try to make the best placement possible. Sometimes, those placements don't work out and we have to look at alternatives, and we're quick to do that. I've rented apartments that haven't worked out and I've had to look for alternatives as well, as many people in the room have.

Again, I think we try to take great care for the needs of the individuals, have them in an appropriate environment. Also, we take great care to understand the needs and desires of the family.

1630

**Mr. Prue:** Is it true that Ongwanada—I hope I'm pronouncing it right—pays between \$26 and \$38 a day per person who is taken in in these group homes?

**Mr. Costante:** Sorry, I'm not aware of the costs of this particular agency.

**Mr. Prue:** How much do you provide to them, and how much is that a savings over the regional centres?

**Mr. Costante:** I can give you gross numbers. Again, I can't speak to Ongwanada.

**Mr. Prue:** It's a tough one. I wish they had a better name.

**Mr. Costante:** Ongwanada. I'll have to practise that. I believe the average cost in our institutions is slightly over \$100,000 per annum in operating costs. In a group home it's in the \$70,000 to \$75,000 range, and I believe—Lynn can correct me if I'm wrong—it's in the low \$20,000 for a Familyhome. Again, I think you have to understand, in a Familyhome situation we are looking at people who have higher functionality, if you will.

**Ms. MacDonald:** Lynn MacDonald, assistant deputy minister. I will add—not to correct my deputy—it depends on the degree of skills and desires of the individual, of course. Familyhome will range from \$22,000 but will go up to almost \$60,000, depending on the particular needs and skills of the individual.

I did want to mention, however, because it's something that we're particularly proud of, that Ongwanada—it took me a year and a half to get around that—is affiliated with Queen's University. It is the core, together with Queen's, of one of our four new specialized networks. What they're able to bring to a Familyhome program or any group home setting is the additional resources associated with the specialized network, so the clinicians, the nurses, the dentists, which enable them to reach out. If a client, as we all do from time to time, moves into a bad frame of mind in their life and needs further stabilizing, Ongwanada, given the surrounding resources that they have, are able to provide additional resources beyond the resources of Familyhome or their individual group homes. That's a particular asset that, in fact, some other organizations don't have.

**Mr. Prue:** I just want to be clear. It costs about \$100,000, on average—some will cost more and some will cost less—in the existing facilities. These facilities will cost somewhere between \$22,000 and \$70,000.

**Ms. MacDonald:** The \$100,000 average would include overhead for the facilities. If you looked at a low-support-needs individual versus a high-support-needs individual, there's going to be as broad a range.

**Mr. Prue:** So this would be a considerable savings to the government to close it down.

**Ms. MacDonald:** Not to the government, sir, because we've committed to take all of the dollars that we spend on those facilities and roll them out into the community to support the individuals who are coming out of the facilities.

**Hon. Mrs. Meilleur:** I want to reiterate that this is not a savings exercise. I think I said at the beginning that

study after study has shown that it's not the way to care for these people. They would be better placed in a community setting. That's why this decision was taken. Like the assistant deputy minister said, all the money, if there are savings, will be reinvested for the care of these individuals or others.

**Mr. Prue:** Just so I'm clear and can follow this in the years to come—hopefully if I'm here—can you tell me the three figures I'd like to get: What are the total funding operating costs for the Rideau centre, the Huronia centre and the South West centre this year, if you have it? If you don't have it, you can perhaps—

**Hon. Mrs. Meilleur:** We have it.

**Mr. Prue:** Okay, that's pretty good.

**Hon. Mrs. Meilleur:** Just be patient for a minute.

**Mr. Costante:** I have it right here. I have the numbers for 2003-04, and we can get you the most current numbers. In 2003-04, Rideau Regional was \$40.8 million, southwestern region was \$27.7 million and Huronia region was \$38.7 million, for a total of \$107.2 million. We'll update the numbers for you and get back to the committee.

**Mr. Prue:** That would be most kind. I just want to make sure that when all this unfolds I can see \$107 million more, because then I won't think that it might be a cost-saving exercise.

Could you also get back to us too—I know you can't do that now—at the time that the three centres are to be sold, how much they're being sold for? Will the money they're being sold for go back into the system as well or will that go to the consolidated revenue fund? The Huronia centre on Lake Simcoe must be worth a bundle.

**Hon. Mrs. Meilleur:** I cannot answer that question. There has not been any discussion on, where the money will go after the sale of these three properties.

**The Chair:** If I may, having had some experience with this, the property would have to wave through all the other ministries to determine if there were other provincial uses. Then there's a hierarchy before it's put before the public.

I can just tell you, from my own agency in Burlington, we just opened a home for five residents. It was half a million dollars for the capital. That's \$100,000 just in the capital. The only reason I'm jumping in is that I've been a member for 35 years. I've helped build these homes, and I can tell you, it's extremely expensive to bring one into the community model. I fully support it, but it is really rather expensive. I'm sorry to interrupt, but that's how the property would be disposed of.

**Mr. Prue:** All I'm trying to make sure of is that when the property is disposed of, if it doesn't go to a government agency, if it is sold to a private person, that the money is used for this purpose. If it's not, I need to know that. I need to know if it goes to some other purpose. If you would be so kind, at some future point, to indicate that; if you don't, I will be asking in the House.

**Hon. Mrs. Meilleur:** If we forget to tell you, please remind us.

**Mr. Prue:** All right.

**Hon. Mrs. Meilleur:** I hope that you and I will be there in 2009.

**Mr. Prue:** We'll be watching. How much time do I have, Mr. Chair?

**The Chair:** You've got three minutes.

**Mr. Prue:** That's really not much time to start a new one, so I'm going to go back to the old one, which I started with—child poverty and the clawback—for three minutes. I'd just like to ask about ODSP payments, particularly around the food allowance. I asked a question yesterday, and we're starting to collect a great many people who are being cut back on their food allowance.

The gentleman yesterday, as I explained in the House, had ulcerated feet, he had diabetes, he was nearly blind, and his food allowance is being cut back. One of the things he requires is a special form of yogourt, which is very expensive, that he has to eat four times a day. He's gone from, I think, \$150 down to about \$30—about half. Maybe I should get the exact amounts, but about half. The first thing he has had to cut out is this special yogourt, which the doctor says he needs to take his medicine.

Is there a directive from the ministry that so many people are being cut back?

**Hon. Mrs. Meilleur:** The directive from the ministry is that the special diet allowance—this program was put together to assist those who have a medical condition and need special diets. Because of recent drastic increases in the demand, we have asked the Ontario Medical Association to help us put a list together of diagnoses, of medical conditions which require a special diet. We've prepared a new form. This form will have to be answered or filled out by a health professional. Those who were receiving a special diet allowance and whose medical condition does not appear on the list have been refused. But we are going to review the list again with the health professionals and readjust. But if there is someone who needs a special diet, they are provided with the special diet allowance.

I'll ask the assistant deputy to complete my answer. I may have forgotten something.

1640

**Ms. MacDonald:** As the minister says, the only change we've made to date on the form is to ensure that the health professional—and there are four different categories of health professionals, of course, who can complete the form, so it's not only doctors and nurses of the extended class but also dietitians, and in the case of First Nations or aboriginal communities, traditional midwives with respect to pregnancy nutrition allowances can complete the form.

They are now asked to indicate which medical condition it is that corresponds to the schedule which dictates what the medical diet should have. For example, if an individual previously had a medical condition, such as diabetes, which required a particular special diet, a diet supplement, if the medical practitioner now indicates on the form that they continue to have diabetes and that that



continues to require a special diet, then the individual would continue to receive the special diet.

**Mr. Prue:** Can you tell me how many people are being reduced? In my office alone there are dozens. I talked to my colleague from Timmins—James Bay, who says he has 16 people. This seems like an inordinately high number of people to be suddenly refused, people who have been on it for years cut down or cut off. How many are being cut down or cut off?

**Ms. MacDonald:** The individuals who are having a case-by-case review would be asked to have their health professional confirm that they still have the medical condition that requires the special diet. So if the medical professional indicated that I no longer had a medical condition that required a special diet, then the professional would not complete the form and I might well lose the special increment that I had previously, but if the medical professional confirms that I still have the condition requiring a special diet, that would continue, and we have not, as yet, changed the amounts allowed for in the minister's schedule. For example, if I have a medical condition, and my professional attests to it, that requires a special diet that previously paid me \$27 extra a month, we have not changed that \$27 figure.

We have committed to do two reviews. One review is with the medical profession to ensure that we have not neglected to have new and emerging medical conditions on the form. So the profession is advising the ministry if there are new conditions which should be added to the list that would require new special diets.

The second review we've undertaken is, again, together with the medical professions that practise in these fields. They'll tell us if a particular condition which requires a special diet—and let's take your example of a particular form of yogourt, for example—continues to require a payout of \$27 or whether that amount is out of date and we should be raising the amount of money.

**The Chair:** Thank you very much. I now would like to recognize Mr. Wilkinson.

**Mr. John Wilkinson (Perth—Middlesex):** Congratulations, Minister. In this 20-minute rotation, I'll be sharing my time with the member from Willowdale and the member from Ottawa—Orléans.

Just at the beginning before I ask my question, I am heartened to hear that you're planning, in your new busy schedule, to be able to get to all three of the regional centres. I know in my own riding, where we don't have a regional centre, I would commend the work of Cheshire Home in London, which supports many of my constituents in Middlesex and even some in Stratford, and particularly Community Living in Stratford-St. Marys and also in North Perth and the wonderful L'Arch communities that we have in Stratford. We have some five L'Arch communities in our small city of 30,000 people.

That model, which I know has been encouraged by the CMHC actually, is a wonderful, cost-efficient and caring way of looking after people in the community with developmental disabilities, living in the community with people who are able-bodied, as inspired by Jean Vanier.

That is a wonderful model that we can look at, and I would invite you publicly, Minister, if you happen to have an opportunity to come to Stratford and our riding, to see that.

I'd just like to change gears and look at the question of social assistance. My own feeling as an MPP, dealing with constituents and particularly with those people who are on Ontario Works and others on Ontario disability support payments, is that if they had their wish, it would be to work. They've told me, particularly before I got elected, that there were a number of barriers that prevented them from working, actually a disincentive not to have the dignity of work. I understand that the government has taken some initiatives to help people get beyond that. Since this isn't my file, I'm wondering if you could maybe list some of these initiatives for us so that we can share that with our constituents.

**Hon. Mrs. Meilleur:** Thank you for that question. I got the same comment when I was the chair of social services for the regional municipality of Ottawa-Carleton, that there were a lot of barriers that would prevent them from returning to work. What we have done since we formed the government is to try to remove these barriers. One thing we have done, for instance, is help them to find a job, but also to keep a job. That's something that we have provided to them through the JobsNow program. As you know, this pilot project is in place. We've noticed that some people need more assistance than others to keep their jobs, so they are providing services for a longer time to help them keep their jobs.

Another barrier that we'd like to raise is their drug card. They were losing their drug card when they returned to work. What we have done is allowed those on social assistance to keep their drug card for six months, or, if they have a drug plan with the employer, get rid of it earlier when the employer drug plan kicks in. These six months can be extended to 12 months under special circumstances.

Another incentive is, when they return to work, they can keep 50% of their income up to a certain maximum, for sure. Some cannot have a full-time job right away, so at least they can keep 50% of their earnings before we reduce their OW. Another point is the child care cost. We increased it from \$390 to \$600 per month, to help them get a child care option for working parents. We also give them up to \$500 as a start-up for job-related expenses. Some need special clothing or transportation.

Those are four or five examples of assistance that we give to encourage them to return to work.

**Mr. Wilkinson:** Thank you, Minister. Just is a follow-up before I yield my time, one of the concepts that was foreign to me, as a member who came from a business background—I've never really had the opportunity to deal with a lot of people who faced the challenges of being on Ontario Works and ODSP—is the whole concept of the welfare wall. We have a situation where there is, as you said, a disincentive. So what I'm particularly interested in hearing about is your own philosophy about



the need for us to keep that—you have to understand that so you don't end up having unintended consequences when you try to do the right thing and help to move people to the dignity of work.

I know your predecessor spoke quite passionately about this. I would be interested in your own opinions about the welfare wall and how you see that as part of your mandate as our new minister.

**1650**

**Hon. Mrs. Meilleur:** First of all, I think our approach is different. We take for granted that people want to work. If they cannot work, let's try to find the reason they cannot return to work. One option is to remove these barriers and the other one is to give them the support they need to return to work.

The welfare wall is, "I cannot afford to go back to work because it will cost me too much," especially for those who work part-time or at minimum wage. They are not encouraged by supporting them one day or the other. As you know, this group, MISWAA, issued a report yesterday. They gave us good recommendations to help the working poor as to how we can support them so they will continue to work and provide for their families.

I'll turn it over to the assistant deputy minister to complete my answer, if I've forgotten something.

**Ms. MacDonald:** Thank you, Minister. I believe the minister spoke earlier about the improvements to Ontario Works that would help address the welfare wall and get people back to work. The ministry, as recently as January 2006, introduced a series of reforms to the Ontario disability support program in order also to provide incentives to individuals to either increase their earnings or to be able to exit ODSP and work full-time.

We want to be very flexible. There is obviously hesitation about individuals in taking that risk, so we have, for example, not only moved in ODSP to that 50% earnings exemption—a much simpler, more generous approach than previously—we've introduced a \$100-a-month allowance which could relate to things like transportation in order to get to work; \$500, as the minister mentioned, for employment; a \$500 bonus if you're leaving the caseload altogether to assist you in new employment-related expenses, which might be work boots or whatever the case may be.

The one area that the modernization-of-income-support working group made further recommendations on—I'm pleased to say that when we line up the suggestions from the task force and the work that the ministry has actually done over the last couple of years, we've pretty much addressed most of the issues they've raised. The one additional area they've raised for consideration is whether we could do something further to improve the current treatment of assets for those who are on either Ontario Works or Ontario disability. The minister has directed us, as a result of the work of the task force and their recommendations specifically around assets, to do a further round of consultation, to do the policy research to see whether there are more changes we should make there.

**Hon. Mrs. Meilleur:** Yes, indeed. I felt that a lot of these people on social assistance were, for lack of a better term, stripped of their assets, so it was discouraging for them, because if they had some savings for their children to pursue their education, they were not able to keep it. So that's one thing that I have directed staff to look into, and also how much in assets they can keep before we start reducing their welfare income.

**Mr. Wilkinson:** I know the member from Willowdale has a question.

**Mr. David Zimmer (Willowdale):** A quick question on helping people with disincentives to move off of the welfare rolls: are we able to do anything to assist mothers with young children when they need daycare help in terms of finding spaces or helping them with daycare expenses and all that sort of thing to remove the daycare disincentive?

**Hon. Mrs. Meilleur:** Daycare is another problem for a mother who wants to go back to work, so we have created many spaces in daycare to help those in need. We were planning to create more spaces, however now, with the disengagement of the federal government in that area, this will hurt those working poor, and it's not with \$1,200 a year that they will be able to find a very secure and professional daycare. I'll turn it over to the deputy to complete the answer.

**Ms. MacDonald:** I think you just promoted me, ma'am. I'm assistant deputy minister for policy.

Yes, in addition to the increase which the minister referred to earlier for informal daycare, where the government has increased the rates of support for informal daycare from \$390 per child per month to \$600 per child per month, we also cover, for formal daycare, actual expenses.

In addition, to assist mothers with young children on either social assistance as Ontario Works or as the Ontario disability support program, we have a number of benefits. We have a back-to-school allowance for children. We have a winter clothing allowance for children. For those mothers or parents who have to establish a new residence, they are eligible for a community start-up benefit allowance. So if they had to move to a larger apartment, for example, because of more children, we provide for those children who are in the temporary care of an adult other than their normal primary caregiver. We will provide a special allowance there, topped up in the case of northern or isolated rural areas.

When a recipient is required to pay child care up front in support of their child's safe and secure setting, we do have an advance, up-front child care payment, not just once the receipt is presented for actuals.

The government has made changes to allow that children who have earnings—and many adolescent children of families who are on social assistance do have earnings. Previously, the earnings were deducted from their income and they were not allowed to keep them towards savings for future education or education-related expenses. The government has changed that. The government has also changed the rule which previously did not

permit an exemption for savings for registered education savings plan for children. That is now exempt for income. I don't want to go on at too much length here, but there is a long list.

**Mr. Zimmer:** I get the drift. Thank you very much for your answer.

**The Chair:** One minute, Mr. McNeely, if you feel so inclined.

1700

**Mr. Phil McNeely (Ottawa—Orléans):** Minister, the pilot projects that are operating in, I think, six areas, and one of them is in Ottawa—I know there are a lot of people in my riding who want to work except that it's that difficulty, that incentive that is being put in place under JobsNow.

Have there been improvements in aiding those on social assistance to find jobs through the JobsNow pilot project in Ottawa? What kind of numbers are coming out of that?

**Hon. Mrs. Meilleur:** JobsNow, as you said, is a pilot project that we initiated last year in April 2005. I was in Ottawa recently to announce that there were over 2,000 individuals who are fully employed because of this JobsNow program. Out of these 2,272, 908 individuals are from Ottawa.

I visited an employer who is very supportive of this program. At the announcement, the CEO of the chamber of commerce of Ottawa was present. They have many, many employers who are supporting this JobsNow program. This program is in existence in six of our communities across Ontario.

**Mr. McNeely:** Is that going to be extended? These are pilot projects. It's not available to everyone across the province right now.

**Hon. Mrs. Meilleur:** I will ask the assistant deputy minister to answer that. First of all, we have to do the evaluation of this pilot project to ensure that it's reaching the goal that we have established prior to moving forward with the program. I'll ask the ADM to complete the answer.

**The Chair:** Briefly.

**Ms. MacDonald:** The evaluation firm is SPR Associates, which has been engaged to do an independent review. They will be using a blind sample, using the same selection criteria as were used for the participants in the actual program. We expect the final evaluation report to be received in about September 2007.

Our instructions from the approval of the pilot project were to return to cabinet with the results of the evaluation before any decision was made to either extend this program or perhaps to change the criteria for our current municipal delivery agents within the regular program, based on the learning from the evaluation, sir.

**The Chair:** Thank you very much. Mr. Martiniuk.

**Mr. Martiniuk:** I have five short questions. Good afternoon, Madam Minister, once again.

**Hon. Mrs. Meilleur:** Good afternoon.

**Mr. Martiniuk:** Exactly how much responsibility does the ministry now have for the individuals residing in

regional centres? Will that responsibility change once they move out? We're talking about financial responsibility.

**Hon. Mrs. Meilleur:** The financial responsibility—would you clarify your question? Is the ministry responsible for these individuals who are moving out? We are responsible; we're not going to abdicate our responsibility. We are responsible for these individuals. We will make sure that, in a regular evaluation, they are placed in the right home with the right services.

**Mr. Martiniuk:** Yes. You're saying that there's no change in the financial responsibility of the ministry, whether they live in the regional centre or whether they move out.

**Hon. Mrs. Meilleur:** The money, instead of being transferred to the institution, will be transferred to the agencies who are taking care of these individuals.

**Mr. Martiniuk:** Okay. Let's go on to lifestyle decisions. Is there any change in responsibility by the ministry as to lifestyle decisions while they reside in the regional centre? Is it lessened by them moving into the community?

**Hon. Mrs. Meilleur:** In the communities these agencies are responsible to provide the lifestyle, the service. The choices of activities will be expanded, because they will have a whole community to pick the activities from. I have talked to these placement coordinators, and there are wonderful stories about these individuals moving into the communities and the change in their attitude, the change in their humour, the change in their lifestyle, because—

**Mr. Martiniuk:** Thank you, Madam Minister. I think you're going a little further than the question I asked, but I thank you for that.

Does the responsibility of the ministry change in providing medical and dental care whether they live in the present residence or move out into the community?

**Hon. Mrs. Meilleur:** As I explained a few minutes ago, before moving out of the institution there is a plan that is—

**The Chair:** Madam Minister, he asked you if you pay for it. That's all he asked you. You've explained it for the record and we were all in the room. Do you pay for it outside of—you said you would hook them up with a dentist. All he's asking is, will you pay for it?

**Hon. Mrs. Meilleur:** Yes.

**The Chair:** Thank you very much, Minister.

**Mr. Martiniuk:** Thank you, Madam Minister. The next question is, in developing the consultation document, Opportunities and Action, did either the current or previous minister meet with the Rideau Regional Centre Association or representatives of that association?

**Hon. Mrs. Meilleur:** I will not be able to answer that question, so I'll turn it over to the deputy.

**Mr. Costante:** Sorry, I'm not aware if there was or not. I'll have to check the previous minister's schedule.

**Mr. Martiniuk:** If you would do that for me, I would appreciate it. Thank you.



Former Minister Papatello, when she first announced the accelerated closure of these centres in September 2004, promised to bring together all relevant ministries to help the communities deal with the economic impacts of these closures. When will the communities see some kind of plan to assist them?

**Hon. Mrs. Meilleur:** I'll ask the deputy to answer that question.

**Mr. Costante:** I think in each of the regional centres we did create an inter-ministerial committee to look at opportunities. We very much wanted the local municipalities to also be part of that. I would have to likely take notice of the question about when you will see a plan and get back to you on that. I'm not sure if there's an exact date envisioned or whether these are ongoing processes depending on what opportunities become available, because opportunities present themselves at differing times.

**Mr. Martiniuk:** Thank you very much.

**The Chair:** Mr. Dunlop.

**Mr. Dunlop:** Thank you very much, Mr. Chair, and if you could just let me know when you need the appropriate time for the couple of questions you had.

I want to go back again to the regional centres and a couple of areas. The one area is, when we remove the safety net of these regional centres—and that's what I call them, because I know there has been a number of people who have been sent back from community living and group home situations to the regional centres in the past. When they're gone, when a community living organization or a particular group home can't handle a high-needs client, will they end up in jails or mental institutions such as the Penetanguishene Mental Health Centre?

**Hon. Mrs. Meilleur:** I'll ask the deputy to answer that question.

**Mr. Costante:** I think the answer is that we're going to try as hard as possible for that not to happen. What we have announced and are in the process of putting in place is 90 spaces, I guess you would call it, for very high-needs individuals who may have extreme behavioural issues, so that when they get in crisis and perhaps can't be handled, supported in their normal group home setting, let's say, we have a place that can back that up, where there are more intensive behavioural supports available. So we very much see the need to have within our developmental services system a backup to their normal placement. Some of these spaces will be temporary, because some people just need them for a short period of time—they may go into crisis related to their drug therapies, for example—and some of them can be longer term if it's a longer-term issue. We have some of those spaces already in place, and we plan to complete the full 90.

1710

**Mr. Dunlop:** Could you tell me how many were in place? I'd be curious to know that.

**Mr. Costante:** I don't have the exact numbers that are in place. You want to know how many are in place now?

**Mr. Dunlop:** Yes.

**Mr. Costante:** Okay, we'll get that for you.

**Mr. Dunlop:** Thank you very much. The second area I'd like to ask a question on is, when I've visited the Huronia Regional Centre—and I'll be honest with you; I've only visited HRC. I've never been to Rideau or southwestern. I noticed that there's a huge percentage of very elderly people in this remaining facility. The question I get asked quite often in my riding—because I've got a very high percentage of senior citizens to begin with, and we have a lack of long-term-care beds—is, when these clients are moved out of the HRC, will they in fact end up taking up spaces in long-term-care facilities or hospital beds, or will the community living organizations or the group homes be able to accommodate their health needs as they get very elderly and near death?

**Hon. Mrs. Meilleur:** When they leave the institutions, they are placed in the community. I know there have been some—but I wouldn't be able to tell you the number—who have been placed in long-term care, but it's just a few.

**Mr. Costante:** We did have a situation a number of years ago where younger people with developmental disabilities were perhaps inappropriately placed in long-term-care homes, where there wasn't enough stimulation. Previous governments actually moved people with developmental disabilities who were in long-term-care facilities inappropriately out. I think we are saying now that long-term-care homes are open to the general population. People with a developmental disability would have to meet the criteria for long-term care. Of the 113 we've moved to date, one has moved into a long-term-care home, and that is in Ottawa. I actually visited this individual.

Where it's appropriate, where medical needs justify it—and again, where the family can do it. To me, long-term care is open to all citizens, and people with developmental disabilities are citizens of the province.

**Mr. Dunlop:** If I can just add this final comment. You can understand the concern, though, when we have clients in a perfectly good atmosphere in the city of Orillia today—they're elderly, they've got great care at the Huronia Regional Centre. You can understand the concern, when there's already a shortage of long-term-care beds, if those clients happen to be moved out into a long-term-care facility at the same time as closing down the Huronia Regional Centre. You can understand the outrage some people would have.

**Mr. Costante:** I can understand, but again if you take a citizenship principle that they are citizens of the province, they have just as much right as you or I to those services.

**Mr. Dunlop:** I completely understand that, but politically it doesn't sound very good from the perspective—

**Mr. Costante:** I think it's a rather unusual situation, as the numbers would speak for themselves: one out of 113.

**Mr. Dunlop:** We'll keep a close eye on those numbers because when we look at these three remaining facilities, there's a high percentage in them that may in fact require a long-term-care bed.



**Mr. Cameron Jackson (Burlington):** Everybody feels more comfortable if I ask questions from here instead of them being from the Chair.

Minister, I have a concern about a constituent of mine. I'll share with you the details, but not the identifying specifics. This individual is about 80% blind now, and the prognosis is that he'll be completely blind. We've been working very hard to try to get some income support for this individual. They were on ODSP with the previous government, which means nothing other than the fact that at the time he was single, unattached and disabled and received his benefits.

Subsequently, as a citizen of this province, he found a young lady who would like to live with him, and he made the mistake of telling the federal government that she was providing care and he was eligible for a minor little benefit. It was not a lot of money; I think it was about a \$2,200 caregiver allowance brought in by the previous federal government. This in fact made him ineligible, because he was now living with someone who had a job. We cannot get this individual back onto Ontario disability support benefits. I've written your predecessor a couple of times. We have been told that as long as the individual throws the woman out of his house, he could be eligible, or if he rented her a room in the house and set up a tenancy agreement and she became a caregiver. But the truth of the matter is that this is a couple, and she has a modest job. But as a result, he's ineligible. Yet I have other constituents who receive their Ontario disability support, get married and are not taken off of disability support.

These rules are rather rigid and inflexible. I wondered if this is a matter that's (a) of concern to you and (b) something that you'd be willing to investigate and look into. This individual will be completely blind within another year, according to his doctors, and we've tried everything. I must say, your regional staff in Halton were outstanding. We tried every possible imaginable approach. I've put hours into this case. We've applied federally, but there's eight months' wait to get federal support, and I can't even get supplementary support for the eight months. He will lose his home. We are doing whatever we can to sustain this individual. Is there any comment that you might offer?

**Hon. Mrs. Meilleur:** First of all, as you know, our income support program is based on the family income, and if they are considered a couple, they will take into consideration the income of his partner. It's not unique in Ontario. All other provinces are doing the same. However, in exceptional circumstances—and correct me if I'm wrong—the director has some authority to give some bridging assistance. But I'll turn it over to the deputy before I go too far and give this constituent money that he's not entitled to.

**Mr. Jackson:** You're on television, as well.

**Mr. Costante:** I don't know the particular specifics. There are large numbers of programs to assist the disabled. Perhaps I can undertake to talk with the Halton office and see if there's something we can do to help.

**Mr. Jackson:** We did the income calculation, and I think he was something like \$300 over. We've explored even having his domestic arrangement quit her job or try partial hours. But we're desperate to try to help him, so that would be appreciated.

Minister, I want to ask you some quick questions about deaf-blind services. As you know, the province of Ontario discriminates against blind children in terms of giving them additional services. If they had a second disability—deafness or any other disability to go along with their blindness—they're eligible for a substantive amount of support. But there's a growing concern about the support that's being transferred to blind children through the educational system. The government recently reduced the amount of support from about \$27,000 to \$17,000. As the minister responsible for persons with disabilities, are you concerned about this? Have you raised with the Minister of Education the fact that access to additional supports and services in our schools is being reduced for blind children who are attending our schools?

1720

**Hon. Mrs. Meilleur:** This is not under my ministry, it's under the Ministry of Children and Youth Services, so I think it would be more appropriate for Minister Chambers to answer that question.

**Mr. Jackson:** But you are the minister responsible for the Ontario disabilities act, is that not correct?

**Hon. Mrs. Meilleur:** I am responsible for the Ontarians with Disabilities Act, but this is a specific question about children's services. Am I correct in my answer, or—

**Mr. Jackson:** I was simply asking, as the advocate for persons with disabilities—I guess I should ask you, are you aware that the funding levels had been reduced through the Ministry of Education for blind children in our schools? Is that something through your blind and deaf-blind support programs that currently are operated through your ministry? That was my understanding, unless the deputy corrects me on some of the funding that comes through Comsoc.

**The Vice-Chair (Mr. Garfield Dunlop):** Give a brief answer, please, then we're on to the NDP.

**Mr. Costante:** The deaf-blind funding through this ministry is entirely dedicated on the adult side, so we're not involved in a programming sense with that issue for children.

**Mr. Jackson:** My final question is a request for information. If I could get the statistics for the last seven years with respect to deaf and deaf-blind services for adult programming through your ministry, not just the budgeted numbers but the actuals, that would be appreciated.

**Mr. Costante:** We can do that.

**The Vice-Chair:** Thank you, Mr. Jackson. Now on to Mr. Prue.

**Mr. Prue:** Let's go back to where I stopped. I don't believe I got an answer, so I'm going to ask it again. Can you give me the actual number of people who have been cut off or reduced in their diet supplement allowances?

**Hon. Mrs. Meilleur:** We will provide you with the information. I don't think we have the information right now. The review has not been completed yet.

**Mr. Prue:** Okay. A couple of other smaller, unrelated questions, and then I've got two big areas to explore. The first one has to do with seniors or those who are about to be seniors. The previous government did away with a program that allowed people between the ages of 60 and 64 who suddenly found themselves on welfare to apply for ODSP, because it was literally impossible for many of them to go out and find a job. It was just so hard. Then that was done away with. Is your government considering reinstating that program to allow people between the ages of 60 and 64 who have no prospect for work due to their age to get ODSP as opposed to welfare benefits? Three or four hundred dollars a month would be a huge amount to them.

**Hon. Mrs. Meilleur:** We know that it's an issue. You're right; for some people at age 60, it's pretty difficult to go back into the workplace. We are committed to treating people with fairness and dignity and we have raised the welfare rate.

I would say to you that I cannot answer that question now, because I have not discussed that issue with my colleagues, unless it was raised with the deputy by the previous minister. I would say that to move someone who is 60 onto ODSP rather than Ontario Works is not in our plan for now.

**Mr. Prue:** Perhaps if the deputy—I don't know, were you around in the previous government?

**Mr. Costante:** Yes, I was.

**Mr. Prue:** This was a program. I'm not mistaken, am I?

**Mr. Costante:** Yes. You're taking me back in history. I believe there was a special rate for 60- to 64-year-olds under the FBA, and that was done away with. I'm assuming the rationale was that the retirement age was 65 and anyone who wasn't at the retirement age was put into Ontario Works if they were able to work.

**Mr. Prue:** We're not talking about professionals. The people that I have seen worked in a factory or something of that nature. The factory shut down—no fault of their own; a very human experience. They're 63 or 64 years old. They were living hand to mouth, usually at a pretty meagre job, and there they are. How much would it cost to reinstate that program? Any idea?

**Mr. Costante:** We'd have to get back to you. I believe there is a number of thousands of people in that category in Ontario Works and, of course, that would also have an additional financial impact on municipalities because they cost-share that program.

**Mr. Prue:** They'd have to pay 20% of the \$300 or so per month.

**Mr. Costante:** We could do a rough calculation. It would have to be rough, because we couldn't assess each individual. If you assume the difference between a single employable on ODSP versus Ontario Works and then just calculate it with the number of people, we could do a rough calculation.

**Hon. Mrs. Meilleur:** I can add that if someone is in financial need, we look into it. For some cases, they have been provided the financial amount to help them, which is often equal to ODSP.

**Mr. Prue:** A separate, totally one-off question: What is the total outstanding liability of developmental service agencies for proxy pay equity?

**Ms. MacDonald:** We would need to get back to you, sir. I don't have that answer.

**Mr. Prue:** I thought you might have to on that one. I had to read the question twice myself to even understand it.

**Ms. MacDonald:** I think I'll need to read the transcript and then get back to you.

**Mr. Prue:** Okay. I understand that there is still the proxy pay equity question in all of these agencies and many of them are still out and, over many years, have not been resolved.

**Mr. Costante:** It actually may be impossible for us to tell that, because many agencies have a 1% maximum payment for proxy pay equity, if I understand the legislation right, going out into the future, and those payments can be readjusted. If their comparator changes, then the amount that they owe could possibly go up. We might be able to do a survey and do kind of a point-in-time piece for that.

**Mr. Prue:** If you could, because I saw today's newspaper, and the federal government and Bell Canada—it's now been 13 years outstanding for pay equity, and they've finally come to some kind of agreement.

I have two more large issues that I want to explore. They haven't been dealt with today by anybody. The first one has to do with WCG International. That's welfare privatization—finding jobs for people and monitoring them on welfare. How much is WCG International paid per client?

**Hon. Mrs. Meilleur:** We cannot give you a number, because it's a percentage and it's a complex and not-so-complex calculation, but we could give you an example. I'll turn it over to the ADM to give you an example of how much they are paid per client.

1730

**Ms. MacDonald:** The whole point of the pilot is to test a new methodology to retain people in employment for a long period of time. In the case of this pilot, as you may be aware, the people that the firm deals with must have been on social assistance for 12 months already, so they're a harder-to-serve clientele. The goal is to see if they can retain their employment status for up to 18 months and more. The firm is compensated depending on the length of time the person retains employment. We chunk it down—bad verb—into three sections so that there's an incentive rate percentage associated with a person retaining employment for six months, 12 months and 18 months. The firm would obviously optimize its earnings based on the individual retaining employment up to 18 months.

As I recall, sir, over the whole period of time, the average is in the order of about 67% of savings to gov-



ernment for the person increasing their employment or being off assistance altogether. It is a percentage based on the person retaining employment, optimizing their employment and coming off social assistance, or increasing their earnings, in the case of those who are employed part-time.

**Mr. Prue:** Are these the same or nearly the same terms of reference as for payments made in British Columbia?

**Ms. MacDonald:** No, sir. The contract we negotiated was considerably different. In the case of the British Columbia contract, my staff did go out and pay a visit to the BC government officials as well as to WCG International.

First, the original contract that the firm had with the BC government did not require that the participants had been on social assistance for over 12 months, and second, did not insist on retention of employment up to 18 months. The method of compensation—on which I am not an expert, but as I understand it—did not step up based on the length of time of the retention of employment. That was a key difference.

The second key difference is that in our case, we required that WCG negotiate a set of business processes with each of the municipalities involved in the six pilot projects. Some of those business processes ultimately led to WCG carrying the bulk of the work and just getting referrals from the municipality involved. In other cases, the municipality did basically all of the work involved with WCG, and in one case, as I recall, it was about a 50-50 split of whether the municipality did work or the firm itself did work. That was another key difference in the contract.

A third area of key difference is that we insisted on an independent, third-party evaluation, which included a blind sample—using the same criteria for the selection of participants to track along with the actual participants in the pilots. There may have been other key elements, but those would be the ones that I would best remember, sir.

**Mr. Prue:** When do the pilot projects finish?

**Ms. MacDonald:** March 2007, as I recall. The evaluation has commenced, but it will be completed after the completion of the pilot projects, because they want to look at the retention rates up to the last moment. We're expecting that the final evaluation would be tabled with the ministry in September 2007.

**Mr. Prue:** Now, you've started the evaluations. Is there any theme, is there any way you can look at what's happening? Is this saving the government money? Are there people staying out of work longer? Is this in any way superior to the ordinary system that has served Ontarians and Canadians for decades, apart from their making money, which they obviously do?

**Ms. MacDonald:** It would be too early for me to comment on the evaluation. It is an independent evaluation; we have not received a report. However, I can say that yes, as a result of these individuals being placed either part-time or full-time—the minister referred to visiting in the Kanata area outside Ottawa, where there

are actually two employees, one of whom participated in the ministry's announcement and is working full-time for the first time. She'd been on social assistance for over 12 months.

Obviously, in these cases the individuals are earning more. The government is making a savings and the firm is being compensated. As I say, if they optimize their earnings with a lengthy retention, on average they would be earning about 67% of those savings, and we have made payouts to the firm and we share the savings with municipalities.

**Mr. Prue:** One of the criticisms in British Columbia was that the firm cherry-picked. They picked people after looking and thought, "Well, this one here is a bit of a livewire and this one here will never get a job. We'll go with the livewire and we won't deal with this one." Government people have no such choice. Is it true that WCG can pick its clients?

**Ms. MacDonald:** No, sir. First, again, we insist that the individuals be over 12 months on assistance. BC did not do that, so they were picking up participants who had perhaps only been on assistance for a short time. Secondly, we generate, through our own computer system, a random sample of individuals who fit the criteria. We provide those names specifically to the municipalities. The municipalities, through their case managers, speak with the individuals and refer them to WCG. WCG does not have the power to select the individuals at all.

**Mr. Prue:** WCG spends a lot of money advertising with a firm called Artemis PR for JobsNow. How much of that money is taxpayers' money? Do they use any portion of the money you give them for this purpose?

**Ms. MacDonald:** I wouldn't know the answer to that, sir.

**The Vice-Chair:** You have about four minutes, Mr. Prue.

**Mr. Prue:** I just find it a little distasteful that this private firm is out there using monies which they derive from a government to hire a PR firm to tell everyone what a good job they're doing. Do you have any dealings with this Artemis firm? Do they provide any of the stats or background material or success stories for WCG International?

**Ms. MacDonald:** We have a very strict arrangement with the firm that they only deal with the ministry through our staff project manager. I do know that in the case of the minister's visit we asked the firm to identify an employer with whom we could talk about celebrating the 2,200 placements of an individual in employment. Whether there has been further contact with the firm with respect to success stories, I'm not the project manager, so I would not know. I do know that we did ask as a ministry for an example of a firm that was stepping up to the plate and being very corporately responsible, collaborating with the chamber of commerce in Ottawa.

**Mr. Prue:** Both the federal government and provincial government have civil servants who help people find jobs. I was employed 20 years in the Canada Employment and Immigration Commission before becoming a



politician. Although I worked on the immigration side, many of my colleagues worked on the employment side; they did this every day. How is this program different from what a civil servant would do? How is it better? Why did you decide to explore this?

**Ms. MacDonald:** A key difference is that the firm is working closely with the chambers of commerce. That's not to say that some municipal agents aren't doing the same. But the whole approach that WCG brought to the province of Ontario was that it had success in working with chambers of commerce.

As I recall my statistics, sir, at the time of the minister's announcement, now four weeks ago, in Ottawa we identified that the firm had been able to generate over 4,300 job offers through the chambers of commerce and had engaged more than 1,600 individual employers and had at that point over 2,200 individuals in either full-time or part-time employment. So the figures look pretty good. I couldn't, at the moment, answer whether it's better. That's the point of the evaluation, to tell us whether this particular business model works better.

1740

Some of our municipal pilots—Ottawa, for example. We were pleased to tell the minister that Ottawa has exceptionally strong results. In the various six pilots, Ottawa would certainly be said to be the leader. I believe it's Ottawa, although I may be corrected by my staff, that has a kind of 50-50 sharing of roles and responsibilities—yes, it's being confirmed—with WCG.

The intent is to learn from what works, to take the lessons learned of what doesn't work, to make a comparison. As I say, no decision has been made at the end whether—cabinet would look at the evaluation and direct us to incorporate this approach within our standard work with our municipal partner delivery agents or take some other mix of measures.

**The Vice-Chair:** Thank you very much, Mr. Prue and Assistant Deputy Minister MacDonald, for your time. We will now move over to the government caucus.

**Mr. Bob Delaney (Mississauga West):** Thank you very much. If there's one thing that's constant, especially in a ministry with challenges like yours, I'm sure it's change. Recently, one of the things you've announced is an additional \$84 million into the developmental services sector. Coming from a region like Peel, where we have traditionally been at a disadvantage in terms of our per capita funding, I know that this type of investment is going to go a long way to help people who live with a developmental disability. Could you go through some of the details of what the investment includes?

**Hon. Mrs. Meilleur:** First of all, I want to reiterate that it's the largest investment in history in that sector. This was done, of course, in consultation with the community.

The new funding includes something like \$11 million for the Passport program. The Passport program is support for disabled people who are leaving school and going into the community. It's to support them to participate in the community. It's kind of a mentoring program.

Also, for the special services at home program, \$12.5 million: This has been a request from the families for many years, so we will be able to provide approximately 3,150 more individuals and their families support that best meets their needs. The families will be deciding what is best for their loved ones. There's \$30.2 million to help more than 370 community-based agencies across the province address salary and other operating costs; \$10 million to create 200 new residential spaces in communities across Ontario, including group homes, independent and family support living arrangements; and \$20 million in permanent funding so agencies can provide long-term residential care for approximately 250 people.

All in all, that's the \$84 million.

**Mr. Delaney:** Can I drill down one level deep on the community-based agencies? Coming from the 905 belt, over the years we've been forced to be very efficient in the manner in which the support agencies are organized, and they've succeeded.

One of the things we need in our area, which is bearing the brunt of a great deal of the GTA's growth, is movement toward parity with some of the other regions in our per capita funding. Are we going to see any progress on this?

**Hon. Mrs. Meilleur:** Provided in the \$84 million there is money for salary increases, but you have to recognize that it's part of the negotiation from the agencies with their employees. As for parity with other agencies, this is part of the negotiation.

**Mr. Delaney:** Not so much parity with agencies as parity among different regions. In terms of per capita funding in the 905 belt, we have traditionally operated at quite a substantial disadvantage. Though the providers deliver what even the parents call remarkably good service, the conundrum is that we find more and more people gravitating to the area in part because they have family members, especially children, who are developmentally challenged, yet when they arrive there, they find that however good the agency is, it is stretched to the limits of its capacity, if not beyond. It has been a major cause célèbre in our area to try to achieve some sort of parity, not so much among agencies as among different regions in the province, so we could provide an equivalent level of support, especially to younger children with developmental disabilities.

**Hon. Mrs. Meilleur:** I'll ask the deputy to answer the question.

**Mr. Costante:** Our practice for the last number of years, recognizing that in high-growth areas they don't have a full per capita, as you were mentioning, what we have done when new money is available is that we introduce an equity formula into the calculation of how much we're going to provide per region. Normally 25% or 30% of the funding is then specifically directed to those areas that are underserved, if you will, and then the rest is distributed on a per capita basis. It's hard to keep up with very rapid population growth, so that has been our effort, to try to make sure that places like Peel—Fair Share for Peel Task Force has talked about this issue for many years. In York region, Durham, and

even in Ottawa we've had issues from time to time in terms of funding not quite keeping up with population growth.

**Mr. Delaney:** Thank you for that. I assure you that we're not making it up.

Just before some of my colleagues have questions, I have one that's fairly short. Could you be perhaps a bit more specific about the money allocated for special services at home and whether there have been any changes to the program?

**Hon. Mrs. Meilleur:** For special services at home, yes, there has been a change in the program. Last December, you will recall that there were two policy changes. The first was that eligibility for special services at home funding was expanded to include children with physical disabilities and/or a developmental disability or adults with a developmental disability. Secondly, primary caregivers can use the special services at home funding to compensate some of the family members who would take the responsibility to give respite to the primary caregiver. Especially in rural areas it's difficult to find respite services, so a family member can play that role.

Those are the two changes, very welcomed by the families. They were asking for that for quite some time and we introduced these changes last December.

**The Vice-Chair:** Minister, we will run the clock down to about three minutes before we have to go in and vote. We've got about another five minutes.

**Hon. Mrs. Meilleur:** Let me know.

**Mr. Delaney:** I think Mr. Arthurs has a few questions.

**Mr. Arthurs:** Minister, first I want to congratulate you again on this particular portfolio. I think it's one of the most substantive, demanding portfolios that a minister could handle. You can never meet all of the expectations, no matter what you do, and for those whom you serve, all of their needs can never be met because the needs are so broad and complex. All of us here are quite aware of the function, the hard work by caregivers, family members and professionals in the field in dealing with those in the developmental services sector. They work very hard, and I think all of us appreciate the work they do.

I'd like to know what the ministry is doing to help promote that sector when it comes to encouraging stu-

dents to move into that field as an area to work. Clearly, it's a difficult area, one where retention has always been difficult, and there's much work that needs to be done. So I'd be interested in hearing what your strategy is, what kind of work is being done to encourage students to come into, and stay, in that particular field.

**Hon. Mrs. Meilleur:** Yes, indeed. In my 14 years as a politician, I've visited quite a few of these agencies. They're a bunch of dedicated people, and they're so caring. I'm always so impressed with them.

Yes, as with other health professionals, we have a recruitment challenge. What we did was that last fall we announced the Ontario developmental services career connections grant. This is a \$4,500 grant to designated clinical disciplines. It's to help 20 college students to enter into that profession. It's also a grant that helps the student to connect with the profession. They go into these agencies and get some experience with the agencies. This clinical experience in the community is very valuable, and the profession is demystified.

As for retention, we have supported an increase in the compensation rate in that service. Last year, for instance, we had over \$66 million with respect to compensation rate. This included \$16 million of ongoing funding for agencies, using proxy pay equity; \$20 million for a 2% increase in that sector; and \$30 million as part of the 2006 budget to help community-based agencies across the province to address these salary gaps.

Those are actions we've taken to encourage young people to go into that profession and, for those who are there, to try to retain them.

**Mr. Arthurs:** Thank you, Minister. Chair, I don't think my second question at this point would give the minister an opportunity to respond very fully, so if there's—

**The Vice-Chair:** Okay. Does anybody else have a quick question for the minister right now from the government caucus? Seeing none, we'll thank everybody today for joining us. We'll meet tomorrow in room 228 right after routine proceedings. The meeting is adjourned until tomorrow afternoon. Thank you.

*The committee adjourned at 1754.*







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**Official Report  
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(Hansard)**

Wednesday 17 May 2006

**Journal  
des débats  
(Hansard)**

Mercredi 17 mai 2006

**Standing committee on  
estimates**

Ministry of Community  
and Social Services

**Comité permanent des  
budgets des dépenses**

Ministère des Services sociaux  
et communautaires

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 17 May 2006

Mercredi 17 mai 2006

*The committee met at 1557 in room 228.*

**The Clerk of the Committee (Mr. Katch Kotch):** Committee members, it is my duty to call upon you to elect an Acting Chair. Do I have any nominations?

**Mr. Gerry Martiniuk (Cambridge):** I move Mr. Arthurs.

**The Clerk of the Committee:** Do we have any other nominations? I declare Mr. Arthurs elected Acting Chair.

MINISTRY OF COMMUNITY  
AND SOCIAL SERVICES

**The Acting Chair (Mr. Wayne Arthurs):** I call the meeting to order. We have approximately two hours left. That will leave us two rotations for each of the three parties of 20 minutes each, starting with the official opposition.

**Mr. Frank Klees (Oak Ridges):** I would like to address two specific issues—one relates to board and lodging and the other is the special diet allowance—either to the minister or the deputy. I'm aware the minister has only been in her position for a short time and these are rather technical questions.

I'll deal first of all with the board and lodging issue. It seems to me, and I've mentioned this to the deputy, that there seems to be perhaps a breakdown in communication out in the field on this issue. There have been recurring circumstances brought to my attention where application was made for a change in status from board and lodging to renter, and there either is not an understanding on the part of some of the caseworkers in the field about this ability to transition from one definition to the other, or there's simply an administrative breakdown.

Let me give you an example. I have a letter here from Mr. John Dowson, who works exclusively with the disability market. The name of his company is LifeTRUST Planning. I have a copy of a letter here dated April 12, 2006. It was addressed to Clodhna McMullin, director of the Ontario disability support program, and it outlines one of these cases. I'm going to read this into the record because I think it's important for us to understand the circumstances here.

"One of the greatest issues facing people with a disability, parents, community supports and the Ministry of Community and Social Services, are aging parents and aging people with a disability. A recent study published in the United States declared that 30% of the people with a disability live with a parent or parents over the age of

75. As a board member of a community living association and a life planner for parents of a person with a disability for the past 17 years, I believe that the statistics published in the USA also reflect the situation here in Ontario. For many of these aging parents the role of the caregiver has been reversed: their child with a disability is now the caregiver for their parent or parents.

"Last year I met with an 82-year-old woman with severe arthritis. She is being cared for by her 53-year-old daughter, who has Down syndrome. Her daughter receives the usual board and lodge ODSP benefit of \$730 a month. Their combined annual income is less than \$20,000. Her daughter shops for their food and cooks and prepares all of the family meals. In addition her daughter has been paying her mother \$500 a month. I mentioned to the woman that since her daughter purchases and prepares her own food and the meals for her mother, she may be considered a renter and her ODSP shelter allowance could be increased.

"To facilitate a request to increase her daughter's ODSP shelter allowance, a lease agreement between her and her daughter was drawn up, and her mother wrote a letter to the ODSP regional office explaining her daughter's change of status from room and board to a renter. I drafted a covering letter requesting an increase in her daughter's shelter allowance and forwarded the change of status letter, the lease agreement and copies of the past three months' rent, and a letter signed by her daughter authorizing me to act on her behalf to the local ODSP branch office."

After having gone through that by way of background and describing the action that was taken, I would ask this question: What at this point in time should be the response of the ODSP office?

**Hon. Madeleine Meilleur (Minister of Community and Social Services, minister responsible for francophone affairs):** Since the question is very technical, I'll turn it over to the deputy.

**Mr. Kevin Costante:** I can't speak to the specific circumstances of the case, obviously, but normally when somebody notifies the office that they've moved from a board and lodging situation to a rental situation and they provide evidence of the lease, that triggers the worker then to move that person from the one category to the other. That should be the normal piece. Sometimes if there is a backlog, we will then backdate the granting of the change, back to the date when we were first notified of it.

I can look into the circumstances of this particular case. What we'll also do is talk with our York region office about the need to review the policies around room and board. It's not used as much as it once was, so our workers may just need a reminder about what the rules are.

**Mr. Klees:** Okay. Let me go on with this letter to show you what is happening. I'm not at all suggesting that this is happening all the time, but it is a very specific example here. I'm hopeful that it's not recurring, and if it is, perhaps there is some additional work the ministry has to do to clarify this for your front-line workers in terms of how these cases should be handled.

"One month passed without a response or an increase in her ODSP benefit. We waited another month and there was still no response. I called the office and was told they had never received the documents and I was asked to fax copies of the documents to the ODSP branch. Another three months passed and there was still no communication from the ODSP branch. In spite of repeated telephone calls and voice messages from me and the ODSP recipient's mother, she has not received any communication from the local ODSP branch.

"Five months after submitting the request to increase her daughter's ODSP shelter allowance, she telephoned the ODSP office again and was finally connected to an income specialist. The income specialist told her that there was no change in her daughter's status so her ODSP benefit would not be increased. In spite of constant pleadings from her mother that there was indeed a change in status and that her daughter was looking after her, the income specialist repeatedly interrupted her and said there has been no change in her status because she's still living at home, therefore she's not going to receive any more money unless she moves out of the house, and with that the conversation was ended."

I'll not continue. I will provide you with a copy of this letter and ask you to please look into this case for us. But I think more important is that there be a clear communication to ODSP workers across the province in terms of this particular issue.

**Hon. Mrs. Meilleur:** I think you're right. We see that more often. I also have a few cases that I have in mind in my community. Thank you for bringing it to our attention. I think it's important that the ministry review these situations so that it's clear what they should do with a similar case in another situation.

**Mr. Klees:** Thank you. I'll move on to the special diet allowance issue. We're aware that a new ODSP directive—I believe it was on November 5, 2005—changed the way the special diet allowance is calculated. Recipients used to get the doctor to advocate for an amount that the doctor felt reflected the foods that he or she was asking the patient to buy to help them with their illness. I understand that now there's a very formalized process that has to be submitted, a checklist of items.

I have two examples within my constituency. Again, my sense is that if I have two, there may well be two in other places, and who knows how many across the province. One is Ms. Lori Goldstein. She is an anorexic

and used to get \$250 a month to purchase Ensure, which is a life sustenance that is quickly absorbed by the body to ensure that she receives adequate nutrients. Lori's doctor recommends that she should be spending about \$254 a month on Ensure. She was asked for a new letter from her doctor, which she did provide. Subsequently, her special diet allowance was reduced to \$150, but she was unaware of that change until she received the cheque.

The issue here is that one would expect that if there is going to be a change in someone's cheque that they receive in the mail, there would be a pre-warning. In this case, the submission was made. Obviously it was reviewed, or wasn't reviewed; I don't know that. But what we do know is that the recipient received a cheque that was less than she expected, and it came as a shock to her.

So my question is: With regard to the procedure, what is the expectation—how can I put this? Does the minister believe that that is an appropriate way for this to be handled? Should there not be a pre-notice to the recipient: "Your file has been reviewed. You will be receiving a reduction"? Shouldn't there be at least a month of notice given that in the next month, or 60 days out, your cheque will be reduced by such-and-such amount, or at least allow the recipient to provide additional information if for some reason the doctor's recommendation wasn't clear enough?

**Hon. Mrs. Meilleur:** The procedure—I'll ask my assistant deputy to complete the answer. When there was a decision to review the special diet allowance—this decision was taken after a large increase, a dramatic increase, in the number of people on either social assistance or ODSP asking for this special allowance—a letter was sent to those whose special diet allowance was to be reviewed, asking that a form be filled out by their medical professional, not necessarily the doctor, but it could be a midwife, a dietitian or a nurse. They had a certain time to get the information back to the office. I'll ask the ADM to complete the answer, but my understanding was that people were advised that their file was to be reviewed and they were given the opportunity to send the necessary information.

**1610**

**Ms. Lynn MacDonald:** Thank you, Minister. Lynn MacDonald, assistant deputy minister, policy.

The minister's description is absolutely correct. I believe we give people 90 days to get the new form completed. We wanted to give that length of time, recognizing that access to health professionals can be challenging for all of us, particularly in certain parts of the province. We have not notified everyone who might have their special diet reviewed. There are a large number of cases, so we're doing this in phases. We're reviewing first some of the oldest cases or cases that have a very high level of special diet.

That review having been completed, I'm not aware whether a notice is given to the individual that their special diet is going to be reduced. I understand that, in fairness, it would be desirable. It may be an issue of



adequacy of staff resources. I'd be very pleased to look into this and find out what notice is given and what we can do to make this a more transparent process for that client.

**Mr. Klees:** Thank you very much. I would urge you, please, to look at that.

**Hon. Mrs. Meilleur:** I agree with your comment. We're going to look into it and, yes, the individual should be advised that the allowance will be amended or reduced. We'll take this back and correct this.

**Mr. Klees:** Thank you. I'd like, again for your enlightenment and for positive purposes here, to read another letter into the record, which I'll leave with you as well. It's from a constituent who is experiencing some difficulty as a result of this. The letter reads as follows:

"I would like to know how in all good conscience and without any prior notice being given by the Liberal government that a directive could be passed severing vital funds previously allotted for special dietary needs. I am presently receiving \$94 per month and prior to that I was receiving \$250 per month, a difference of \$156 per month.

"I am totally outraged that Premier Dalton McGuinty passed a directive that takes food out of people's mouths and threatens their health.

"I am unable to properly manage my medical conditions in a healthful manner on this mere stipend.

"I would like to think that you and your political party would find it important enough to work on constructing a new directive that would provide a more realistic amount of money that people could live with, and not just merely exist on.

"Mr. Klees, I would appreciate if you would forward the appropriate documentation, i.e., Dr. Goldenberg's letter and my letter to you, attached hereto, to the proper channels as soon as possible for consideration and review.

"I am in dire straits and require immediate assistance in this most appalling and upsetting matter.

"Thank you in advance for your immediate attention."

I regret any political overtones in the letter. Obviously this is an individual who is very concerned. I bring this to your attention for your purposes, Minister, so that you can see some of the practical implications of this policy, and would ask you to look into this matter. I sent a covering letter to your attention on April 19, enclosing all this information, but I'll certainly provide you with this copy before I leave as well and ask you look into this issue.

I think that many times there are unintended consequences to some of the policy directives government gives and decisions that are made, but the key is that we respond to those issues and take whatever corrective action is needed.

Yes, I am appealing to you on behalf of these specific cases, but on the broader policy issues I wonder if I could have your undertaking to review this to see what we can do to ensure that these unintended consequences are not hurting people we're trying to help.

**Hon. Mrs. Meilleur:** First, let me answer this question or do this follow-up on your comment. These special diet allowances are there for a reason. It's because they have a medical condition that requires a diet. That's why this review is being done, and we are doing it with the co-operation of the Ontario Medical Association. They're telling us what medical conditions require a diet. Depending on the diet they have to follow, there is an amount that is attached to the medical condition, but I have to tell you that the amount has not been reviewed for some time. We are going to review both. We're going to review the list of medical conditions—that was done recently, but we realized after some comments and some doctors calling us that we have to review it, so we're going to review it during the summer—and we are also going to review the amount that is allowed for each of these medical conditions, to make sure that they are realistic. We're going to do it.

**The Vice-Chair (Mr. Garfield Dunlop):** We just have about two minutes.

**Mr. Klees:** I want to thank the minister for her undertaking. I think, particularly with regard to this issue, as you're reviewing it, could you give consideration to the efficacy of recommendations being made by a doctor specifically to a patient? I think where we run into difficulty is when we create a grid. That grid may well be what the Ontario Medical Association thinks would be appropriate in 90% or 95% of the cases, but where you have specific issues—one of these young ladies who I'm personally familiar with has an anorexic problem. She's been very close to death on too many occasions. So for us to rely strictly on a template that would guide the amount of nutrition that is allowed her I think falls short of what I know the government's intention is with regard to the program. So if as part of your review, you might allow for a medical doctor's recommendation to override what that template is, I think it would serve us all well.

**Hon. Mrs. Meilleur:** The review is going to be done in conjunction with the professionals, so it's the professionals who are going to tell us what the medical condition would be, and also help us to evaluate how much each condition should be provided to make sure they have the proper diet.

**The Vice-Chair:** Thank you very much, Minister. Now I'll turn it over to Mr. Prue and the NDP.

**Mr. Michael Prue (Beaches—East York):** I'll start on a new field that hasn't been touched yet by anyone, the FRO software. You've hired a company called Themis, a subsidiary of Maximus, an American corporation. Can you tell us why you chose this company?

**Hon. Mrs. Meilleur:** I'll turn it over to the deputy minister to answer that question.

**Mr. Costante:** We did go through a competitive process for the selection of the software for the Family Responsibility Office. A number of firms put in bids. There were criteria for assessing those, and we chose Themis. Themis also has a history of building software for this particular field and had designed the system used in BC, which is considered to be one of the leading systems in Canada.

**Mr. Prue:** Maximus corporation has what can only be described as a terrible history in the United States—absolutely abysmal. I'm going to go through each one of the states and the problems they've had. Did you investigate any of these?

**Mr. Costante:** I'm sorry, I'm not aware of Maximus corporation in the United States. We have a contract with Themis.

**Mr. Prue:** With their wholly owned subsidiary in Canada, Themis.

**Mr. Costante:** Yes.

**Mr. Prue:** Okay, let's just go through some of these things and just tell me if you weren't aware or you didn't look at them. In the state of Wisconsin, there was an audit done. They found that Maximus staff travelled and worked on out-of-state projects from September 1997 through March 2000. Forty-six staff in the Milwaukee office also worked on other Maximus projects that were unrelated to their work and what they were being paid for. In total, 724 hours of these staff were incorrectly billed to W-2—that is the Wisconsin program—resulting in overcharges of \$51,000.

I'm only starting: Were you aware of any of this and what the Wisconsin Legislature had to say about this company?

1620

**Mr. Costante:** No, we're not.

**Mr. Prue:** Were you aware that in Wisconsin—let me just give you some of the questionable transactions found by the auditor of Wisconsin—there was an overpayment charge of \$40,178 made to a vendor that provided Maximus telephone systems to an office supply store, and the overpayments were not noted for computer purchases? Were you aware of that one?

**Mr. Costante:** Can I state that I understand that when we first started this process in Themis, they were not owned by this company. It's our understanding that that took place midway through. Our contract is with Themis, not with this American company.

**Mr. Prue:** Maximus bought out Themis in 2002.

**Mr. Costante:** Okay. That's not our understanding, but we can check on that.

**Mr. Prue:** That's the information I have here, that it was bought in 2002. I want to go on to some of the other shenanigans. I just want to make sure that we're not getting ripped off here, because I have a feeling that we may be ripe for getting ripped off.

Some of the more egregious things Wisconsin found were: \$15,741 in expenditures that benefited Maximus or its employees, including a meeting held in the Interlaken Resort; a holiday party at the Milwaukee Clarion Hotel; hotel rooms in Lake Geneva; corporate memberships; and agency-sanctioned parties and other social events. Is Themis allowed to do any of these things?

**Mr. Costante:** No, they're not.

**Mr. Prue:** Have you audited them at all to make sure they're not doing the same thing as their parent company?

**Mr. Costante:** What I'd like to do is ask the assistant deputy minister for the Family Responsibility Office to

talk about the checks and balances we have in the contract and how we operate this to assure you that—we can never be 100% sure, I think everyone knows that, but as much as possible, we make sure that public money is used appropriately, accounted for, and there is no wrongdoing going on.

**The Vice-Chair:** Could I have you put your name forward, please?

**Ms. Sharon van Son:** My name is Sharon van Son and I'm the assistant deputy minister with the Family Responsibility Office. I would just like to answer Mr. Prue's question a little bit in terms of the process we went through to obtain Themis as the vendor for this project. It was a very rigorous process, and I would say that it established a very high standard to ensure that we did not run into the issues you are talking about at this point. We retained a fairness commissioner who obviously oversaw the entire process to ensure that everything we did was appropriate, met the OPS standards and that there was fairness at every step of this process.

There was a pre-release of a posting of a draft RFP for approximately four weeks to the vendor community to seek out whether there were vendors who were interested. Then there was the actual posting of the RFP. All the documentation prior to this posting was reviewed by this fairness commissioner. This was referred to as a blind review, so as we were going through the vendors' proposals, we did not know whose proposals we were reviewing, and as a result, fairness was ensured. They had to meet a strict number of criteria before we would award the contract. The RFP, if I may say, is probably one of the best that has been developed in government in recent times and was actually noted by the centre as being a best practice, because of the due diligence that was put into this process.

There were mandatory requirements that every vendor had to meet. The evaluation of criteria was sound and focused on three areas in terms of the solution functionality of the proposal that was being put forward. There was a strict evaluation of an implementation plan, and obviously an evaluation of the proponents' experience and their qualifications. At the end of all those written reviews, the vendors then had to demonstrate their solution and were also interviewed. At that time, for the vendors that were successful in passing the mandatory criteria, there was again a very in-depth evaluation, reference checks, and then a final decision-making that was again reviewed in its totality by the fairness commissioner.

We have our contract with Themis Consulting. The contract is a deliverable-based contract, so they do not get paid unless they meet the terms and conditions of the contract and deliver on all aspects of the contract as required in the RFP.

I'm quite confident in this process because, like you, Mr. Prue, we certainly do not want to be in a situation where we have a vendor that does not have integrity or does not deliver as they are required to do.

**Mr. Prue:** How stringently are you auditing them? This is the same firm that is very controversial and active in BC.



**Ms. van Son:** I'm unaware of the controversial aspect of them, but we work there on-site. There is a team from Themis that is on-site, and has been on-site with us since July of last year. We meet. There is a whole governance structure in place. They have met with the deputy on a regular basis. There are deliverables that they must meet and we are holding them to those. The contract, if you look at the RFP, is quite clear in terms of what they must do in terms of their work with us.

**Mr. Prue:** I would take it that to date there has been no experience such as that found in the United States. Most states that have contracted Maximus, the parent company, have got out of it: Colorado; Arizona, I understand, is trying to get out of it or has got out of it; most of the others as well. You've not had any difficulty whatsoever?

**Ms. van Son:** No, quite to the contrary.

**Mr. Prue:** Is that because we have a better contract or we're smarter or we watch it better, or what?

**Ms. van Son:** I think we've done our homework. We attended public accounts, and one of the things we talked about was the necessity of having a proper process in place and due diligence, and we have met that criterion. I would like to think very much that we have done our due diligence and have a contract that can stand up with confidence.

**Mr. Prue:** Some of the places in the United States found out their costs actually increased. Have we done a cost-benefit analysis to see whether or not we're saving any money with Themis, or is it too early?

**Ms. van Son:** Saving money in terms of the actual operation of the system?

**Mr. Prue:** Yes.

**Ms. van Son:** We're still in the process of developing the system, but certainly the system we currently have in place, which is an old mainframe system written in COBOL, a 15-year-old financial accounting system, is inefficient and not cost-effective. One of the reasons we went to a new system was to create a system that was much more flexible, had greater efficiencies both in terms of productivity and cost.

**Mr. Prue:** The reams of paper that I have here on this company and everything they have done illegally, immorally and everything in the United States is really quite shocking. Would you be interested in looking at this company we've contracted with?

**Ms. van Son:** It's very worrisome in terms of what you have said, in terms of Maximus, but I just want to confirm with you that our contract is with Themis and that they are the sole signing authority throughout this contract. Certainly, if there is material you'd like us to read, I'd be happy to read it, but I have to say our experience is anything but that.

1630

**Mr. Prue:** Okay. Back to the stuff with Accenture; I guess that's the company that was there before Themis. What were your experiences—no?

**Mr. Costante:** Sorry. Accenture was with the social assistance system, not with the Family Responsibility Office.

**Mr. Prue:** All right. But just with that system, was there anything we learned from Accenture? This was the computer that couldn't calculate a 3% increase, wasn't it? Is this the one? I'm trying to think back. I think that's the one. The government contracted and paid millions of dollars to a computer company, and what any kid's calculator could do, this computer couldn't do.

**Mr. Costante:** One of the things we learned, which we didn't do with FRO, was that the method of procurement for the Accenture contract, which was originally Andersen Consulting, was a common purpose procurement, where we didn't specify in great detail exactly what we wanted.

In this one, and Sharon can correct me if I'm wrong, we specified exactly the requirements we wanted and we issued an 800-page RFP spelling out exactly, whereas with Accenture, the nature of the contract was that you hired a partner and they were to develop it. So it was a much looser type of contract. This one was very specific in terms of what the deliverables were to be and how much the contract was for. Those are very specific. If you read the RFP, you'll see how detailed it is. So that's one very important thing we learned from the Accenture/Andersen experience.

**Mr. Prue:** I just want to be clear. The fault for the computer was as much a fault of Accenture as it was the bureaucracy? I mean, it was everybody's fault? You didn't say what they had to do and they didn't build in something that was so common any calculator could do it with ease?

**Mr. Costante:** I would say that there were problems with the procurement method and that there was fault on the part of the ministry and the government in terms of being specific about what the needs were, yes.

**Mr. Prue:** Right, and none of that exists with this present contract with Themis?

**Mr. Costante:** I think we went absolutely the opposite way and we were very specific.

**Mr. Prue:** I hope so.

**The Vice-Chair:** You've got about five minutes, Mr. Prue.

**Mr. Prue:** Yes. Since you're not aware of Maximus, I don't want to read all the horror stories from the United States. Obviously they didn't impact in any way on your decision.

A couple of other sort of unrelated things dealing with the ministry. The ministry is responsible for and has done, I think, a fairly good job on the Ontarians with Disabilities Act. You know that we supported it in the House. But one of the things the community is asking for deals with elections. There are no sign interpreters in elections. I've been approached by some members of the deaf community, and I know the minister probably has. Has there been any government movement, any ministry movement on making signers for the deaf available in elections?

**Hon. Mrs. Meilleur:** On election day? Like federal elections, municipal elections?



**Mr. Prue:** Federal, provincial, municipal elections, whatever. Provincial or federal: You don't have anything to do with the federal ones.

**Hon. Mrs. Meilleur:** Not that I know of, but I'll turn it over to the deputy.

**Mr. Costante:** I don't think we've dealt with that particular topic. How the new legislation works is that we've set up standards development committees. The minister has established two: one on transportation and one on customer service. We've started, with them, to look at developing standards that will be put into regulation that all sectors would have to comply with. This may be a legislative issue, because I think Elections Ontario actually reports to the Legislature. I could check into it, Mr. Prue, and get back to you.

**Mr. Prue:** Okay.

**Hon. Mrs. Meilleur:** If I may add, the ministry of democratic renewal is reviewing elections and everything on the elections. I think it would be a good topic to refer to them and make sure that when they negotiate with Elections Ontario, this is put into their guidelines and procedures.

**M. Prue:** Merci. Mon collègue M. Bisson va poser les autres questions.

**M. Gilles Bisson (Timmins-Baie James):** Madame la ministre, c'est bien de se voir ici aujourd'hui. Comment ça va? Vous savez qu'on a eu une chance de discuter un peu hier et à l'Assemblée les journées précédentes de toutes les questions de ce qui se passe avec les diètes spéciales. Comme vous le savez, on a beaucoup d'exemples dans mon comté comme dans d'autres où ceux qui ont besoin de diètes spéciales qui ont été données par le ministère, qui ont accordé les prestations nécessaires—

**Mr. David Zimmer (Willowdale):** On a point of order, Mr. Chair: Out of respect for my colleague Mr. Bisson and the minister, unfortunately I can't follow, and I'd like to hear—

**M. Bisson:** Je demande qu'on ajourne et qu'on s'en va dans une autre salle de comité.

**The Vice-Chair:** I don't think we have the translation available today.

**M. Bisson:** Je demande que le comité s'organise pour avoir des traductions. J'ai le droit, comme francophone, de poser des questions que j'exige.

**Mr. Zimmer:** I say that out of respect.

**Mr. Bisson:** I understand.

**The Vice-Chair:** All I can say to the committee is that we can recess and have the interpretation booth put in place so everyone can understand. I apologize for that.

**M. Bisson:** Merci. J'avais compris qu'ils étaient pour avoir de la traduction.

**Hon. Mrs. Meilleur:** There was translation yesterday.

**M. Bisson:** En français.

**L'hon. M<sup>me</sup> Meilleur:** Il y avait de la traduction hier. Peut-être, en attendant qu'ils installent la traduction, que l'on peut continuer avec l'autre.

**M. Bisson:** On peut retourner aux Libéraux puis revenir à moi après.

**Hon. Mrs. Meilleur:** Okay. Mr. Chair, one suggestion, if you don't mind: Perhaps we could go to the Liberals and then it will give them time to organize the translation so we are not wasting any time.

**The Vice-Chair:** Excuse me. I apologize, Minister.

**M. Bisson:** Monsieur le Président, pour compliquer plus les affaires, l'Assemblée est en train d'ajourner.

**The Vice-Chair:** I'm sorry, I don't speak French either, and I just want to say that I—

**Mr. Bisson:** I said you're doing one hell of a great job.

**The Vice-Chair:** Okay. Thank you very much. I was just asking the clerk if we could check to see how long it would take to have the translation booth put in place.

**Mr. Bisson:** Just to the clerk in English, because we don't have translation. I understood there was going to be translation today. That's why I came today, because I understood today, in a conversation with the minister yesterday, there would be translation. I took her at her word, and I know she didn't mess up. Ministers never mess up.

**The Vice-Chair:** Okay.

**Mr. Bisson:** Oh, I'll take that back.

**The Vice-Chair:** To the minister and to Mr. Bisson, the position we're in right now is that we can either recess and have the translation booth installed or we can adjourn for the day.

**Mr. Bisson:** We'll just adjourn for the day and come back on the first day after the consti break; that's all.

**Mr. Wayne Arthurs (Pickering-Ajax-Uxbridge):** Procedurally, we're not prepared at this point to simply adjourn for the day and extend the minister and her staff into a further day. Estimates are going to take us a considerable amount of time to get through. We're certainly willing to discuss it collectively, through the subcommittee, but Mr. Wilkinson is not here.

**Mr. Bisson:** You don't want me going there. We have a right to express ourselves in French in this assembly.

**Mr. Arthurs:** I'm not disagreeing, Mr. Bisson, with the translation.

**Mr. Bisson:** I'm not going to lose my time because I'm not allowed to ask questions in French for constituents in my riding. So I'm asking that we adjourn and come back after. Don't get me going on this one.

**Mr. Bob Delaney (Mississauga West):** On a point of order, Mr. Chair: Is it possible—est-il possible pour M. Bisson de poser ses questions en français et en anglais, et pour les réponses d'être en anglais et en français?

**M. Bisson:** Vous ne comprenez pas. Écoute. On a le droit dans cette Assemblée de s'exprimer en français.

**The Vice-Chair:** We can carry on with this all afternoon, ladies and gentlemen. I think, with the situation—if you're insisting on speaking in French and you want the translation put in place, I'm going to make a ruling right now that we will be adjourning for the day, and we'll have to come back at the first available opportunity.

**M. Bisson:** Okay. Merci.

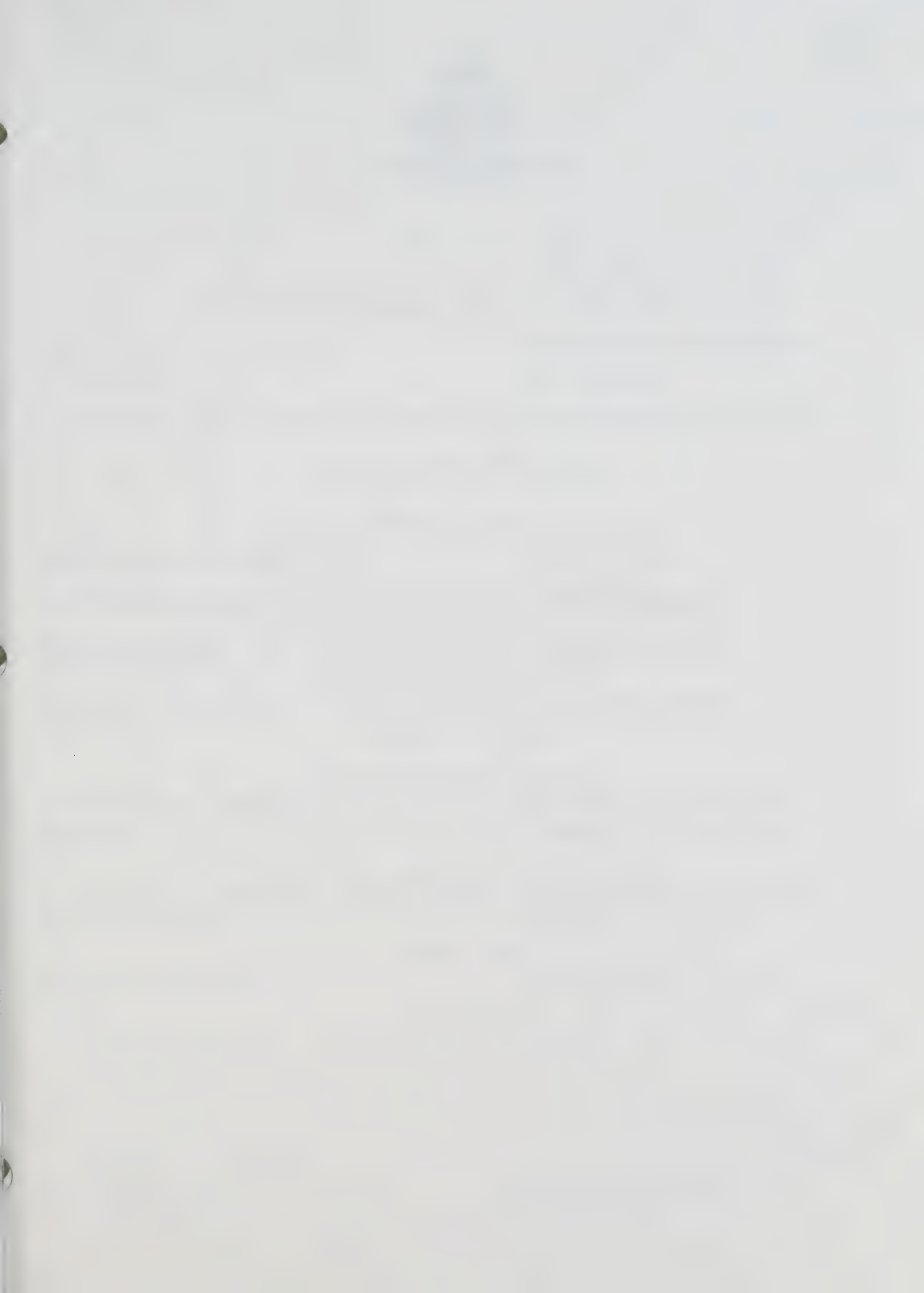
**The Vice-Chair:** The meeting is adjourned.

*The committee adjourned at 1639.*









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## Assemblée législative de l'Ontario

Deuxième session, 38<sup>e</sup> législature

# Official Report of Debates (Hansard)

Tuesday 30 May 2006

# Journal des débats (Hansard)

Mardi 30 mai 2006

## Standing committee on estimates

Ministry of Community  
and Social Services

Ministry of Finance

## Comité permanent des budgets des dépenses

Ministère des Services sociaux  
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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Tuesday 30 May 2006

Mardi 30 mai 2006

*The committee met at 1539 in room 151.*MINISTRY OF COMMUNITY  
AND SOCIAL SERVICESMINISTÈRE DES SERVICES SOCIAUX  
ET COMMUNAUTAIRES

**The Acting Chair (Mr. Jim Wilson):** We're going to start now. I believe there's one hour and 27 minutes left in the estimates for the Ministry of Community and Social Services.

Mr. Bisson did have one minute left in the rotation, but given that the NDP aren't here at the moment, we turn it over to the government side, Mr. Arthurs.

**Mr. Wayne Arthurs (Pickering–Ajax–Uxbridge):** Welcome again, Minister. It's good to have the better part of an hour and a half yet, so we do have some questions and look forward to your responses.

One of the things that I find in my constituency office, and I'm sure it's not unfamiliar to anyone in the Legislature, is questions around the Family Responsibility Office. I understand that in 2003 the Auditor General in fact actually reviewed the FRO operation and found some very serious concerns with respect to the overall issue of customer service and collections of arrears. We hear about the customer service issues because they end up on our doorstep often early on in the process. Frankly, this is something of a legacy issue. I wouldn't want to say it all rests with the former government. Clearly there's some responsibility with eight years of governance to address these kinds of matters, but it's a legacy issue.

The Ombudsman as well looked for drastic improvements in the whole process. So I'm interested in the improvements in customer service and arrears collection that are being made at this point and where you see, as the minister, the FRO operation moving into the future.

**Hon. Madeleine Meilleur (Minister of Community and Social Services, minister responsible for francophone affairs):** I'm going to start answering the question, but then I may turn it over to the assistant deputy minister who is the expert in it.

Yes, in fact, we have dramatically improved customer service. Since 2004, FRO staff have answered approximately 36% more calls each day. The average call centre wait times have decreased from 13 minutes to eight minutes. There has been a 75% increase in the number of

callers who are able to get through on their first attempt. This is a step in the right direction, and we will continue to improve customer service in FRO.

Also, we have improved enforcement. The arrears file review was launched in November 2004 with an ambitious goal of cleaning up almost 39,000 cases, representing \$639 million in arrears. Since that time, 30,000 of the 39,000 cases have been reviewed; \$16 million has been collected on cases where no money was ever received prior to the arrears file review; and there has been over a \$41-million reduction in arrears. There was a procedure put in place to explain to those who need to pay support payments what FRO was all about and to try to establish a friendly relationship with the clients.

FRO has also enhanced its enforcement through its trace-and-locate initiative. As part of FRO's new trace-and-locate initiative, staff have been able to confirm addresses of more than 50% of returned mail. One of the problems that FRO had before was that, of course, people are moving around the province and the country, mail was returned and there was no way they could locate these persons. Now, with this new section, they're able to do that.

Payments of \$197 million have been received as a result of a change in FRO's credit bureau reporting policy. Over 104,000 new notices have been sent to parents about support payments in default.

In June 2004, the Ombudsman noted that there had been considerable improvement to FRO since February of the last year. So I wanted to thank the FRO staff and the assistant deputy minister for the good work they have done.

**Mr. Arthurs:** That's my question. I know a number of members from our caucus have questions, so I want to make sure we have lots of opportunity.

**The Acting Chair:** Sure. Mr. Milloy?

**Mr. John Milloy (Kitchener Centre):** I want to say welcome, Minister, but I think you're probably welcoming me because I'm just subbing in today for David Zimmer. But I wanted to take this opportunity to have you in front of the committee to ask a number of questions about the Ontarians with Disabilities Act. Certainly last year we had a very successful round table in my riding with a large number of stakeholders, and there was an incredible amount of optimism and enthusiasm amongst many people from the disabled community, and

those who advocate on their behalf as well, about the strides our government was making.

The one thing I wanted to talk about was the standards development committees which were provided for within the AODA. I just wondered if you could outline a little bit about their role and where you see them going.

**Hon. Mrs. Meilleur:** Of course, to develop these accessibility standards the act requires that we put together a committee. We established a standards development committee. The role of that committee is to set longer-term objectives to meet the purposes of the AODA, to identify the requirements to meet the objectives and to set timelines for implementing the requirements in up to five-year increments. The committee submits the proposed accessibility standard to the minister, and it is then posted for public review. The committee considers the input from the public and submits a final standards report. The proposed standard is then considered for adoption as a regulation.

I'll turn it over to the expert, who is the assistant deputy minister, Madame Maurice, to complete my answer.

**Ms. Andrea Maurice:** I'm Andrea Maurice, assistant deputy minister of the accessibility directorate. The minister set out the role of the standards development committees under the legislation. Early this year, two standards development committees were established in the areas of customer service and transportation. These two areas were chosen because of their importance to people with disabilities.

The committees have been working very aggressively and diligently. They began their meetings in February. They meet monthly, two days a month. They have just completed their fourth monthly meetings. They're at the position that they have developed long-term objectives, they have developed some of the requirements, and now they're considering information that they are receiving from some studies we're doing on costing and the readiness of various sectors to implement the standards. So we're really very pleased with the progress that those two committees are making.

Three more standards, what we're calling core standards, that will apply across public and private sectors have been announced, and they are standards in the areas of employment, information and communications, and the built environment. Hopefully, the minister will soon be announcing the timing of when new standards development committees will be established.

1550

**Mr. Milloy:** Can I just follow up on the whole issue of accessibility? The one thing I found—as I said, we had a very successful half-day round table—is that I think in the past some people have seen accessibility issues or changes that have to be brought in—for example, to a business—as being burdensome. I think, and I'm hoping, that sort of mindset is changing and people start to recognize that making your place of business, for example, much more accessible can have benefits and sends out some positive signals, not just to the disabled com-

munity, but also to seniors who may be in wheelchairs or have walkers or even to people with strollers—just allowing for that broad range of people to have access to the area. I know, Minister, that you've been working on trying to foster this sort of positive view of it, and I just wondered if you'd comment on some of the initiatives there.

**Hon. Mrs. Meilleur:** Yes, indeed. More and more businesses are seeing accessibility as an added value to their business. It's not just the right thing to do, but it's the smart thing to do. It does help the business. Right now, the percentage of people with disabilities in Ontario is around 15%. It's going to double, because the baby boomers are getting older.

This morning, for example, I visited the Shaw Festival. They are one of the participants in our program that has been put forward to support businesses to render their business more accessible. They have seen—it's the Shaw Festival, and it's amazing. They were very clear in saying that when you build or when you do an addition to your property or you do a rehabilitation, it's a lot cheaper to work on accessibility. I was asking the executive director how much extra it costs. She said not really anything, because it was built into the design, and when you build an addition, it doesn't cost very much more. We know that people with disabilities and seniors have large buying power, and if we capitalize on that by improving accessibility to businesses, the business will be more advantageous or more fructuous. I'll turn it over to Madame Maurice to give other examples and numbers that are very telling.

**Ms. Maurice:** Thank you, Minister. The minister mentioned, and you, sir, have mentioned, the sort of demographic imperative of an aging society. By 2025, 20% of us will be seniors. I'll be in that category myself. So we're all hoping for an accessible society.

I should say that we believe the new legislation will benefit all Ontarians. We believe accessibility, whether it's accessible customer services, whether it's an accessible physical environment, just has benefits for all members of society. Whether it's a mom pushing a baby in a stroller or folks who are just looking for excellent customer service, if our businesses can learn to serve everyone well, then we'll all benefit.

The minister mentioned the partnership program that she visited this morning at the Shaw Festival. This is part of, we think, our very good program called EnAbling Change, where we seek strategic partnerships with the business community to improve accessibility. For this particular program, which we called Building Champions, the Canadian Standards Association developed an accessible customer service guideline and then did training of seven different businesses, including the Shaw, on accessible customer service. We think we've seen some really quite impressive results coming out of that. We are soon launching some new partnerships under that program.

I think it's important that, as our standards development committees work to develop standards under the



legislation, we are also out in the community raising awareness of accessibility and identifying the champions and all the good work that has been done out in the community. That really started under the Ontarians with Disabilities Act, where there's really some very exemplary work being done by municipalities, as well as hospitals, colleges, universities and school boards. There's a lot happening, and while the standards are at the heart of the legislation, we know this is all about changing attitudes and raising awareness and introducing business to the benefits of accessibility.

**Mr. Milloy:** I just realized that I used the wrong—I think when I started off I said the Ontarians with Disabilities Act, and of course the new act is Accessibility for Ontarians with Disabilities. I think there is some confusion, because it's a different act that is sort of built upon the other. What are the major differences in terms of the newer act?

**Hon. Mrs. Meilleur:** The difference is that the new act applies to every public place. Correct me if I'm wrong, but the other act, the former act, applied only to government, to provincial, municipal and not-for-profit. This one is for all public places and the private sector.

**The Acting Chair:** Mr. McNeely, there's about four minutes left.

**Mr. Phil McNeely (Ottawa-Orléans):** Minister, I remember that a while back, you and Minister Papatello, then-minister responsible for women's issues, had an announcement that would help our education professionals receive the training to provide appropriate supports to students who may be exposed to domestic violence. I know that in our area, there are many francophone women and children in Ontario who are going to benefit from the initiative through the funding from this ministry. Have you had feedback from any of the women who have been involved in this initiative?

**Hon. Mrs. Meilleur:** Yes, indeed. I was with Minister Papatello earlier this year when we did the announcement with the school board. The funding is being provided by the women's directorate for an expert panel formed to develop material and strategy for training elementary schoolteachers, counsellors—everyone involved with the students. This panel is comprised of education experts from the francophone school system. The panel is currently finalizing core curriculum. It's a curriculum they want to develop to train all those involved in the school to be able to recognize a child who has witnessed domestic violence in their home. There is, of course, a similar panel for anglophones too, not just for francophones. We want to be able to identify children who are witnesses of domestic violence and be able to refer these families or children to the appropriate person who can support them and help them to get out of this situation of violence. We don't have the curriculum ready yet; it's in preparation. We will be able to roll out the training and the curriculum for the next school year.

**The Acting Chair:** Thanks very much. There are a couple of minutes left. Any more questions from the government side? More comments?

1600

**Mr. Bob Delaney (Mississauga West):** I'm going to ask you a couple of what I hope are fairly brief questions regarding violence against women. One of the issues, especially in the area that I come from, which is a very diverse multicultural area with an awful lot of churn, is second-stage and transitional housing, and these are very essential for women and children who need to escape domestic violence. Tell me a little bit about some of the priorities in your ministry and some of the investments you've made in that regard.

**Hon. Mrs. Meilleur:** First of all, there have been 27 second-stage housing providers, with 351 units for victims of domestic violence. In the last two years, second-stage housing providers have benefited from the important initiative announced by the government. In 2004-05, second-stage housing providers received one-time funding of over \$700,000 for minor capital. In 2005-06, second-stage housing providers received \$1.4 million ongoing funding for counselling and enhancement of the transitional and housing support program. In addition, the \$2-million increase to shelter and second-stage housing providers announced in February provided a target increase to the lowest-funded shelter. So all of this will help those in situations of domestic violence.

**The Acting Speaker:** We'll move on now to Mr. Martiniuk.

**Mr. Gerry Martiniuk (Cambridge):** Good afternoon, Madam Minister, once again.

**Hon. Mrs. Meilleur:** Good afternoon.

**Mr. Martiniuk:** I have 20 minutes, and you are done with me or I'm done with you—one or the other.

**Hon. Mrs. Meilleur:** I hope the experience was not that bad.

**Mr. Martiniuk:** No, no. I wasn't suggesting it was bad; it was just my manner.

I'd like to deal with a constituent. It troubles me, because this constituent wrote to you on May 2, and I'm going to read the letter into the record. I saw her subsequently on May 19, and we discussed not so much your letter but her problem. She has a problem with a group home.

I should say that after meeting with this lady, 10 years of experience as an MPP and some 40 years of experience prior to that time as a lawyer led me to infer that she's not a NIMBY. She's not one of these persons who feels that it shouldn't be located in her area. She was a senior citizen, a most reasonable person. However, every time she turns around for either information or help, doors close. Quite frankly, I felt like I closed the door on her too. How could I help her?

She went to the police and indicated some problems, and they told her not to worry. She asked them for statistics as to what had happened in her area: Had there been an increase in crime? They refused to share that. They have an excellent police force, so I'm not knocking the police. However, they seemed to be uncooperative to her. A police force doesn't really take due account of break-ins of residences. Strangely enough, in our modern

day, that is not a severe crime. It is a severe crime in my eyes, and in her eyes, because her house was broken into and ransacked. The tribulation, the stress, especially for seniors, of having your house and your space intruded on and having things of value and love destroyed needlessly can be a most traumatic experience. So the police are letting her down, she feels. The city is letting her down.

I'd like to read this letter because it's a well-written letter and it indicates the frustration of myself, too, as an MPP, coming to grips with the problem, and certainly the frustration of this lady.

I should say that the group home in question is a brand new building, and it's quite beautiful from the outside. I think I've been inside actually. It's an addition to the area in the sense that it looks like a rather substantial home in an area which I would describe as very neat and well cared for—however, mixed. When I say "mixed," big homes, small homes, it's all a bit of a jumble, so it's not a very expensive area in our city. However, it is neat and well kept.

This letter from my constituent, Joyce Spring, was addressed to you, Madam Minister, on May 2, and it reads:

"It is my understanding that your ministry is responsible for supporting the services provided through community-based agencies. It is one of these community-based agencies, Argus Residence for Young People, in Cambridge, Ontario, that is the reason for this letter.

"Argus Residence claims to be a residence for young people. In fact, it is being used as a halfway and crisis intervention house. Men in their mid-20s, newly released from jail and completely unsupervised, are in residence. While the neighbourhood has no objections to the facility, it is the number of residents and their criminal history that is of grave concern. As a result of the management of Argus Residence, my neighbourhood has become a volatile place to live. I look to you for intervention and direction in dealing with this dangerous situation.

"On April 27, we held a Neighbourhood Watch meeting. From this small residential area, 73 people came out. Most of the frustration and anger expressed at the meeting was directed at the Argus Residence. For many years, Argus was used as a residence for girls. This was an accepted part of the neighbourhood and not a problem. Recent changes—demolition of the old residence, building of a big new residence, changing from the former use to its present use—coincide with an alarming increase in crime. Break-ins of our homes, garages and cars seem to have become everyday occurrences. We endure vandalism and public pot-smoking and find used needles discarded, but the most serious occurrence was an armed attack on the elderly couple who were tending their son's corner store. Although the attackers were arrested and are no longer at Argus, we have no assurance that this will not happen again.

"In an interview I attended with the executive director of Argus, Ms Eva Vlasov, she said that if there was a problem in the neighbourhood, there was no reason it

should be blamed on Argus. In a recent memo to Argus residents, she says, 'Together, we need to ensure that our neighbourhood is a good place to live.' Pure fantasy! While the director composes these charming memos, right outside her office window the residents are yelling vulgar comments at young women, swearing and throwing patio furniture. Neighbours of Argus can't use their yards because of this rowdy behaviour.

"After this disturbing interview, I sent a lengthy letter to the chair of the board of Argus outlining some of the problems we are encountering and insisting that the board make changes to help ensure our safety. I copied the letter to each of the directors. Not one of them acknowledged my letter. The only communication I received was a very brief letter from the chair instructing me to address any future correspondence to her at the Argus box number.

"The management of Argus has never dealt in good faith with the people of the neighbourhood. We were misinformed about the purpose for which the new residence would be used. They have never had any intention of complying with the existing city of Cambridge zoning bylaw which allows them to have a maximum of 10 residents. The home was built to accommodate 15 residents and has two executive offices. Although they are not zoned for offices, and in contravention of the existing bylaw, these offices have been in use since the building was completed.

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"I am troubled by the confidence with which they have chosen to ignore the city of Cambridge zoning bylaw. Clearly they expect to get an amendment so they can operate with 15 residents. A newspaper report said that this expensive new facility can't be maintained if they are only funded for 10 residents. Did the management of Argus Residence receive some assurance from the city of Cambridge that amending the bylaw would not be a problem?

"A new shelter, the Bridges, has been built within a few blocks of Argus. The city of Cambridge planning department said in a recent report to its council that our small neighbourhood is saturated and recommended that the zoning bylaw allowing Argus 15 beds not be amended. Although we had very little time to organize, there were 48 signatures of area residents opposing the amendment. We have made presentations at council meetings. Cambridge city council has chosen to disregard the recommendations of their planning department, the committee of adjustment and the presentations by the neighbourhood. They suggested, in effect, that Argus do a little public relations job on the neighbours. Since the credibility of the Argus management is zero, this will be difficult.

"Some of the people who attended the Neighbourhood Watch meeting are threatening to take the law into their own hands. What an appalling prospect. But neighbourhood residents feel that they have run out of options. The police are ineffectual and no one is prepared to do anything about this situation, not the Argus executive, the Argus board or Cambridge council.



"This is an ugly situation and unless you step in and makes some changes, it can only get worse. It's bad news for everyone, including your ministry."

"I hope you can help us. I am deeply troubled by the situation that exists in Cambridge. I look forward to hearing from you with a proposal to address this very troubling situation as there appears to be no other recourse."

As I mentioned, that letter is addressed to you. I will provide the clerk with a copy so he can make copies and distribute it, but you already have that. I assume in the nature of things that it would not have been replied to yet. It's only been a month, and that's fair. I really don't expect you to answer, because it contains a large number of issues. However, you, as an MPP, have run into this before, where people come to you with a problem and everywhere they turn, all they get is another door shut in their face, saying, "It's not our problem. It's over there. It's a federal rather than a provincial problem" or something like that.

**Hon. Mrs. Meilleur:** Yes, indeed. As a municipal councillor representing downtown Ottawa, I faced that situation—not often but more than once. My approach was always to work with the community and the agencies that can help to resolve the problem, including municipal government.

However, this letter has been sent to me. This issue is within the purview of the Ministry of Children and Youth Services. But the deputy minister has a lot of experience in that area and I'll turn it over to him and he will help to clarify the answer.

**Mr. Kevin Costante:** Thanks, Minister. We have had a lot of discussion in the sectors that this ministry is responsible for, which would include Associations for Community Living, and I think you have the Cambridge Association for Community Living. I think the Community Living group has a very progressive and proactive approach to working with neighbours, and I hope you're seeing that in your community. In this particular instance, the minister is correct, it's either the Ministry of Children and Youth Services or, if it's for older adults, it would be the ministry of corrections, which also operates group homes. So our direction and the training and work we do with group home operators in our sector is very much to encourage them to be respectful of their neighbours, to take their situation into account, to obey all of the zoning and make sure that they adhere to that.

This one is not in our area, so I can't speak specifically to it, but I think in the developmental services area there is a much better reputation, if you will, in terms of working with local communities and not having problems such as you just talked about.

**Mr. Martiniuk:** Well, if I may follow that up, I understand that at long last the correction facilities for children over 16 or 18—or is it under 16?—was finally amalgamated with corrections.

**Mr. Costante:** It was moved. They used to be split.

**Mr. Martiniuk:** Yes.

**Mr. Costante:** There has been some change in ministries. It used to be that the Ministry of Community and Family Services operated phase one for up to 15-

year-olds, and corrections operated phase two for the 16- to 18-year-olds. Those were brought together. They're both now operated by the Ministry of Children and Youth Services, which is the responsibility of Minister Chambers.

**Mr. Martiniuk:** Okay. How much time?

**The Acting Chair:** You have five minutes left.

**Mr. Martiniuk:** I would like to deal now with another topic. Perhaps you might explain to me whether it's a pilot project or whether it in fact is a fait accompli: the change in policy in regard to service providers providing employment planning to the approximately 10%—I believe it's 10%—of ODSP recipients who are seeking employment. As I understand it, there has been a change in method of payment, changing from fee-for-service to fee-as-to-outcome rather than for service, and I might request an explanation of that.

**Hon. Mrs. Meilleur:** Yes, there has been a change, and the deputy minister is going to speak on it.

**Mr. Costante:** Thank you, Minister. We did make a recent change. What we wanted to do, and I think it's consistent with best practice for many government programs, is to focus on what the key outcome of these programs should be. The key outcome for an employment program should be getting people into jobs. So yes, we have changed the funding methodology so that we will pay people for successfully getting individuals who are disabled into employment, and we've focused the money that way.

Previously, funding used to be activity-based, so we would pay for resumé-writing or to do such-and-such upgrading. So this was really an intention, to get a greater focus on what people really want, and that's to become employed. That's kind of the generalities of what we've done.

**Mr. Martiniuk:** Well, it sounds like a laudable aim. However, I'd like to deal with two points in particular.

If you're paid as to outcomes, what is to prevent you from cherry-picking your clients?

**Mr. Costante:** Essentially what we do—we have people in our ODSP offices who look after the needs of people who are looking for employment. They come in, we try to work with them as to what the best plan could be, and then we refer them out to service providers at some point. Some of them are non-profit agencies who do work with employers. I mean, for us, cherry-picking, I guess, is okay. People come in, they want a job, they are disabled, and as you know, under the Ontario disability support program, people do not have to look for work. This is a voluntary piece. Any time we can get anybody on ODSP into a job is a good thing. I believe—and Clíodhna can help me if I have this wrong—we also pay more if they have a larger family and their costs are more. So we do try to provide an incentive for them to deal with people who perhaps have larger barriers to getting into employment.

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**Mr. Martiniuk:** Larger barriers or larger families?

**Ms. Clíodhna McMullin:** The other thing I wanted to mention—



**The Acting Chair:** Could you identify yourself for Hansard, please?

**Ms. McMullin:** Sorry; Clíodhna McMullin, director of the Ontario disability support program. In addition, funding is available to pay for special disability-related and work-related expenses. So additional money is available for service providers who are placing people who have extra needs and require extra costs. There's extra funding available for expenses related to accommodation, and that funding is provided on an actual cost basis, so it's not—

**Mr. Martiniuk:** But that doesn't really answer the question. By cherry-picking, one would take the ones who were easiest to place and therefore make more money. The problem with the payment being on the basis of outcome is that payments are delayed more than they are with fee-for-service, is that correct?

**Ms. McMullin:** Actually, the funding is provided based on a plan that's developed by the service provider, where they look at the total number of people they're planning to serve, the total number of people they expect to place in employment based on their last year's experience. Then funding is provided in advance and on a monthly basis, so that they do have the cash they need in order to carry out the service.

**Mr. Martiniuk:** Is that transitional funding?

**Ms. McMullin:** That's the way the funding is flowed for the outcomes. They forecast in advance how successful they expect to be. They also forecast what cash flow they need in order to carry out the service. So the funding is provided in advance so that they do have the cash they need to be able to provide the service, and then at the end of the year, as need be, there may be a reconciliation if the service provider is finding, for example, that they're placing more people than they expected or placing fewer people than they expected.

**Mr. Martiniuk:** Okay. Ma'am—

**The Acting Chair:** Can I intervene? You're just about out of time.

**Mr. Martiniuk:** Yes, I realize that. It was just getting interesting too. Are you saying there was no transitional funding?

**Ms. McMullin:** There has been transitional funding provided.

**Mr. Martiniuk:** There has been. That's simply because the payments would be delayed under the new plan. Is that not correct, that it provides working capital for the smaller businesses and non-profit organizations?

**The Acting Chair:** I'm sorry; after this response, we will move on to Mr. Bisson, please.

**Ms. McMullin:** Service providers have been provided with a transitional year. So they're being provided with funding for this coming year based on their last year's experience and what they expect to accomplish. The funding is being provided for the entire year, and they are allowed to provide the service. If they don't meet their targets, this year's funding is being treated as transitional funding and will not be recovered from them. It gives them an opportunity to move to the new funding formula.

**The Acting Chair:** Thank you very much. Mr. Bisson.

**M. Gilles Bisson (Timmins-Baie James):** Madame la ministre, bienvenue. On a commencé cet échange il y a déjà une semaine. Là, on se trouve de retour aujourd'hui finalement avec la traduction simultanée et tous nos collègues pourront comprendre les questions qu'on va demander.

J'ai déjà eu une chance, madame la ministre, de vous parler à une couple d'occasions faisant affaire avec une partie de ce que je veux vous demander aujourd'hui : toute la question de la diète spéciale.

Vous savez qu'il y a eu un changement dans le règlement qui fait qu'il y a eu un changement dans ce programme. Avec ça, on trouve qu'il y a beaucoup de personnes qui ont perdu leurs bénéfices. Je veux soulever une couple de dossiers avec vous, puis vous demander très simplement ce que vous êtes préparée à faire pour être capable d'aider.

Dans ce cas ici, M<sup>me</sup> Melodie Walker, qui est une francophone, qui est venue au bureau de comté à Timmins, nous a donné son histoire. Il se trouve qu'elle a MS. Elle doit être capable de garder une diète où elle peut avoir au moins 3 000 calories par jour. Avec la diète spéciale qu'elle a eue, elle était capable de faire ça, mais avec la diète spéciale perdue, elle va avoir des problèmes avec la diète dont elle a besoin pour garder sa santé.

Sa situation est pas mal précaire. Ce qui arrive avec elle, c'est que sa maladie lui fait perdre beaucoup de poids et qu'elle n'est pas capable de s'injecter dans le bras, dans les cuisses ou dans d'autres parties de son corps parce qu'elle n'a pas le gras pour le faire comme il faut. Donc elle s'injecte dans l'abdomen.

Avec ça, ça commence à faire des complications. C'est rendu au point où elle a beaucoup de douleurs dans son abdomen. Elle se trouve très malade parce qu'elle n'est pas capable de s'injecter comme elle est supposée de le faire pour sa maladie. Numéro deux, elle ne peut plus manger comme il faut.

Ma question est simplement, qu'est-ce que vous êtes préparée à faire comme ministère pour que M<sup>me</sup> Walker, comme d'autres personnes dans la province, puissent avoir ces diètes spéciales où c'est nécessaire?

**L'hon. M<sup>me</sup> Meilleur:** Premièrement, je ne peux pas parler d'un cas particulier, et vous comprenez bien le pourquoi. Alors—

**M. Bisson:** Vous avez la permission, madame. J'ai la permission ici.

**L'hon. M<sup>me</sup> Meilleur:** Tout ce que je peux vous dire, c'est qu'il y a eu une revue de ce programme-là parce qu'il y avait des augmentations incroyables des demandes, et les coûts devenaient exorbitants.

Ce qu'on veut faire, ce n'est pas ne pas donner le montant supplémentaire dont les personnes ont besoin pour pouvoir s'alimenter proprement selon le diagnostic médical qu'ils ont et aussi une condition médicale qui demande une diète spéciale.

Chaque cas est revu, et la personne, selon la liste de diagnostics qui nous a été présentée par l'association

médicale de l'Ontario. Cela n'a pas été fait vraiment d'une façon cavalière mais ça a été fait d'une façon professionnelle. Maintenant cette liste-là va être revue cet été et à l'automne, et suite à des commentaires qu'on a eus de la communauté médicale, d'autres diagnostics, d'autres conditions, vont y être rajoutés.

Si cette dame-là a besoin d'une diète—et je vais parler en général—si quelqu'un a besoin d'une diète, et c'est reconnu par la profession médicale que cet individu-là ou cette condition-là a besoin d'une diète spéciale, c'est bien sûr que la personne va recevoir le montant qui est identifié dans cette catégorie-là.

Maintenant, je vais demander à madame la sous-ministre adjointe de compléter ma réponse.

**M<sup>me</sup> Lynn MacDonald:** Merci, madame la ministre. Lynn MacDonald, sous-ministre adjointe en matière de politique.

Ce que j'aimerais ajouter est qu'il y a vraiment trois processus de revue, si vous voulez. Il y a le processus de révision des cas, disons, de l'année dernière qui ont été approuvés avec la formule ancienne. On fait la révision dans le bureau régional de ça et dans les bureaux des municipalités qui sont touchées par des cas.

Il y a, deuxièmement, le processus de revue que madame la ministre vient de mentionner, c'est-à-dire la révision de la liste pour assurer que nous ayons—

**The Acting Chair:** Ms. MacDonald, I'm sorry but Hansard can't hear you. Could you speak a little closer to the microphone?

**M<sup>me</sup> MacDonald:** Le deuxième processus de révision que madame la ministre a mentionné est un processus de révision pour assurer que toutes les maladies soient listées correctement, qu'on n'ait pas oublié une condition médicale, ou que les conditions médicales qui sont peut-être nouvelles et pas reconnues auparavant y soient ajoutées.

Il y a un troisième processus de révision que madame n'a pas mentionné et j'aimerais ajouter quelques points saillants là-dessus. C'est-à-dire, c'est un processus de révision des montants. Vous savez—

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**M. Bisson:** Montants?

**M<sup>me</sup> MacDonald:** Des montants.

**M. Bisson:** Pas les moutons mais les montants.

**M<sup>me</sup> MacDonald:** Pas les moutons.

Il y a la personne qui a l'approbation de la profession médicale indiquant que, oui, il y a une condition qui requiert une diète spéciale, mais ensuite il y a un formulaire qui fait une combinaison de diètes spéciales demandées et un montant approuvé pour ces diètes. Les montants ont été approuvés il y a, je dirais, peut-être six ans. Alors on fait aussi un processus de révision pour nous assurer que les montants sont corrects et sont à jour et qu'on paie assez pour couvrir les frais actuels de la personne.

Alors, prenons un exemple : si j'ai une condition médicale qui demande que je ne peux pas prendre du lait dans ma diète, que je dois avoir des suppléments de Lactaid, disons—ça coûte plus que le lait normal—est-ce

que le montant qui a été prévu il y a six ans pour le Lactaid est aujourd'hui suffisant? Alors, ce troisième processus de révision est pour nous assurer ça.

**M. Bisson:** Je veux poser la question à la ministre : si ça marche si bien, pourquoi a-t-on tant de cas qui entrent dans nos bureaux de comté? Je regarde dans mes filières. Actifs présentement, j'ai 18 cas dans mon comté où le monde est venu chez nous pour nous dire, soit au bureau de Kap ou de Smooth Rock Falls ou ici à Timmins, que le système ne marche pas, qu'ils ont été coupés. Donc, si ça marche très bien, pourquoi est-ce que tout ce monde-là a été coupé?

**L'hon. M<sup>me</sup> Meilleur:** Je voudrais ajouter que si la personne a une condition qui requiert une diète spéciale, la personne va recevoir l'argent. Auparavant, il n'y avait pas ces diagnostics-là. Alors, une personne pouvait aller voir un médecin ou une infirmière ou une diététicienne en disant qu'elle avait besoin d'une diète spéciale, et alors le formulaire était rempli et envoyé.

**M. Bisson:** Soyons clairs.

**L'hon. M<sup>me</sup> Meilleur:** Ceci a été révisé.

**M. Bisson:** Présentement, dans le vieux système, ça prenait quelque chose d'un médecin ou quelqu'un dans la médecine pour dire que la personne avait une condition, oui ou non?

**L'hon. M<sup>me</sup> Meilleur:** Ça prenait la signature d'un médecin.

**M. Bisson:** Exactement. Puis dans ces cas-ci que j'ai, ceux qui ont été rejetés avec le nouveau règlement étaient du monde qui était déjà accepté par soit leur médecin de famille ou par le département d'urgence, ou dans d'autres cas par le système de santé mentale avec des médecins dans ce système-là. Donc, dans tous ceux que j'ai, c'est du monde qui n'a pas eu ça parce qu'ils ont fait l'application sur un morceau de papier, et c'était un médecin qui a dit, « T'as une condition, et cette condition demande une diète spéciale. » Donc, ceux qui ont été rejetés étaient du monde qui avait déjà été accepté par les médecins.

**L'hon. M<sup>me</sup> Meilleur:** Ce sont des gens qui avaient un formulaire qui avait été rempli, qui avait été retourné, mais ce n'était pas nécessairement une condition qui requerrait une diète spéciale. Alors, c'est à la demande de l'association médicale qu'on a dû revoir ceci, parce qu'il y avait trop de pression de mise sur les médecins pour pouvoir avoir ce supplément-là.

**M. Bisson:** Donc, vous dites que ce n'est pas le gouvernement qui voulait couper mais que ce sont les médecins qui ont demandé la réduction?

**L'hon. M<sup>me</sup> Meilleur:** C'est une combinaison des deux, mais on a eu une demande de l'association médicale, et puis je vais demander à M<sup>me</sup> MacDonald de parler plus—

**M. Bisson:** Pas trop long, parce que je n'ai qu'un peu de temps.

**L'hon. M<sup>me</sup> Meilleur:** D'accord. Alors succinctement, M<sup>me</sup> MacDonald va expliquer comment ça s'est passé, mais c'était à la demande, et puis aussi la grande augmentation des coûts soudains.



**M<sup>me</sup> MacDonald:** Oui, l'association s'est approchée de nous il y a un an environ, au mois de mai, je crois, pour nous dire que leurs médecins étaient mis sous pression par certaines personnes qui voulaient absolument une diète spéciale. À ce temps-là, le formulaire n'exigeait pas que le médecin ou l'infirmière ou le diététicien, le nutritionniste, constate une condition médicale. Le formulaire disait simplement, « Est-ce que la personne requiert une diète spéciale? »

Ce que les médecins nous ont dit, c'est qu'ils étaient sous pression de dire qu'une personne avait besoin d'une diète spéciale même si ce n'était pas le cas. Ils se sentaient harcelés presque. Alors, nous étions d'accord avec eux de réviser le formulaire pour que le formulaire exige leur jugement professionnel d'une condition médicale. C'est comme ça qu'on a ajusté le formulaire.

**M. Bisson:** J'ai un peu un problème à croire que c'étaient les médecins eux autres qui ont fait qu'on a eu cette déduction-là. C'est aussi parce que le gouvernement a vu que ça coûtait de l'argent, puis on essaye d'avoir quelque chose pour sauver de l'argent. Vous l'admettez?

**L'hon. M<sup>me</sup> Meilleur:** C'est pour qu'on puisse—il y avait une augmentation—

**M. Bisson:** Exactement.

**L'hon. M<sup>me</sup> Meilleur:** Mais c'est pour qu'on puisse s'assurer, pour les gens qui ont besoin d'une diète spéciale, qu'on leur offre le supplément nécessaire pour pouvoir combler ce déficit-là.

**M. Bisson:** On va revoir une couple de cas. Là, je suis en train de regarder à mes filières; j'en ai trois que je peux voir très vite là. C'est du monde qui ont MS. Leurs médecins ont écrit qu'ils ont besoin d'une diète spéciale. Ils ont été donnés une diète spéciale, et là ils ont été coupés, certaines personnes, de 250 \$ à 20 \$. Il y a de différents exemples. Il y avait du monde avec de différents montants.

L'autre, c'est les conditions psychiatriques. Comme on le sait, une diète est une grosse partie—c'est quelque chose que je viens juste d'apprendre moi-même. Mais ce qui arrive, c'est que pour une personne qui se fait traiter pour des conditions de santé mentale, parfois une partie du traitement est ce qu'on mange pour s'assurer que la personne est bien.

Dans quatre cas que je peux voir, c'est du monde soit avec la dépression, soit une personne qui est schizophrène, qui ont eu leur diète spéciale coupée, encore donnée par un médecin. Dans ce cas ici, dans deux des cas que je peux voir, c'est le médecin directement de TDH, l'hôpital psychiatrique de Timmins. Donc, ce n'est pas comme le monde a fait des formulaires pour demander de l'argent. Ce sont des médecins qui ont signé les papiers pour dire que ce monde-là a besoin d'une diète spéciale pour une raison ou une autre.

Je vous pose une question très simple. Si on vous donne ces cas, êtes-vous préparée à revoir la décision qui a été faite par votre ministère, pour s'assurer que ce monde-là qui ont besoin de ces diètes spéciales ont la chance d'avoir ce qu'ils avaient déjà?

**L'hon. M<sup>me</sup> Meilleur:** La façon de procéder est que s'il y a des diagnostics, une condition médicale pour

laquelle la personne devrait avoir une diète spéciale, lors de la revue cet été, ces diagnostics-là seront ajoutés. Ce n'est pas des cas particuliers. Les cas particuliers, si leur condition médicale requiert une diète, ces personnes-là vont recevoir les suppléments nécessaires.

**M. Bisson:** Je peux vous garantir qu'on va vous donner certains cas pour cette revue. Mais l'autre partie du problème c'est la question d'appel. Comme vous le savez comme députée provinciale, et n'importe qui qui travaille dans un bureau de comté sait le prochain, il y a beaucoup d'occasions où une personne va faire application pour des prestations sous ce programme de « disability » provincial. Dans beaucoup de situations on trouve que la réponse du ministère est « non ». La réponse est « non » pour décourager le monde. C'est un peu le sens que tu as de temps en temps. C'est près de huit à 10 mois pour être capable d'arriver devant le tribunal pour faire annuler la décision.

Je peux vous dire que pour nous autres, puis j'imagine que c'est la même affaire avec les autres députés, dans 100 % des cas où on s'en va aux tribunaux, on gagne. Ça me dit qu'il y a quelque chose de mal avec le système.

Deux points : un, sur la question de la diète spéciale, même si on va aux tribunaux, ça ne va pas nous aider parce que les tribunaux vont arriver après la décision que vous allez avoir au mois d'août. La deuxième partie c'est pourquoi on a besoin de perdre notre temps, nous les députés avec notre staff, et les cliniques légales aux alentours de la province qui représentent le monde sur l'assistance, sur des cas qui auraient dû être approuvés droit au début.

Qu'est-ce que vous allez faire pour être capable d'aider, et pas ralentir, le processus d'accepter quelqu'un qui doit avoir des prestations droit au début? Ce que je trouve, puis j'imagine que c'est de même avec beaucoup de députés, est qu'une personne applique, la personne est refusée, et elle s'en va voir le député ou elle va à la clinique légale. On s'en va en appel—ça prend trop longtemps; ça prend de huit à dix mois—puis on gagne une fois arrivé là.

1640

Donc ça me dit qu'il y a quelque chose de mal à la base opérationnelle. Qu'est-ce que vous allez faire pour arranger les problèmes à la base opérationnelle?

**L'hon. M<sup>me</sup> Meilleur:** Premièrement, il n'y a pas d'appel si le diagnostic n'est pas prévu. C'est spécifique dans le règlement.

Ce que je vous dis est que s'il y a des diagnostics qui devraient être rajoutés à la liste, il y a un processus de revue, et je pense que ces médecins-là devraient écrire directement au médecin chef pour rajouter ou pour donner les arguments pourquoi on devrait avoir une diète, avec ces diagnostics-là, pour une telle condition médicale. Puis, lors de la revue cet été, s'il y a lieu, ce diagnostic-là ou cette condition médicale sera rajoutée à la liste.

**The Acting Chair:** There are just under four minutes left.

**M. Bisson:** La deuxième partie de la question : premièrement, tu peux amener n'importe quoi en appel.



Dans ces cas-là on s'en va en appel; déjà accepté trop tard.

Ma question était, pour quelle raison est-ce que le ministère refuse tant de cas dès le début? Comme je vous dis, on trouve qu'il y a un gros pourcentage de cas où le monde fait des applications pour des prestations à travers le programme de « disability » et ils sont refusés. Ils regardent l'application puis ils disent, « Écoute, c'est pas mal clair, là. » La personne a un avis médical disant qu'elle ne peut pas travailler. J'en ai eu une couple moi-même dernièrement. C'est du monde avec MS. Ce n'est pas comme s'ils peuvent travailler. Ils ont été refusés dès le début. Ça nous prend de huit à dix mois pour le rendre en appel, et on gagne.

Donc, qu'est-ce qu'on va faire pour accélérer le processus de revue dès le début pour ne pas avoir besoin d'aller en appel avec autant de cas?

**L'hon. M<sup>me</sup> Meilleur:** La revue pour—

**Mr. Bisson:** Tribunal. Le tribunal.

**L'hon. M<sup>me</sup> Meilleur:** Oui, il y a eu beaucoup de retards. C'est vrai; vous avez raison. Il y a beaucoup de travail qui est fait—on a rajouté du personnel—pour qu'on puisse rendre des décisions le plus tôt possible.

On travaille dans ce sens-là pour que, premièrement, il y ait une bonne décision puis que la décision soit rendue le plus rapidement possible.

**M. Bisson:** Qu'avez-vous fait spécifiquement? Avez-vous mis plus de staff? Avez-vous changé la politique intérieure? Qu'avez-vous fait spécifiquement?

**L'hon. M<sup>me</sup> Meilleur:** Il y a tout un processus qui a été mis en place—je vais demander à M<sup>me</sup> MacDonald de l'expliquer—qui a été mis en place justement pour accélérer, parce qu'il y a trop de retards. Puis ça prenait huit, neuf, dix mois dans certains cas. Justement, dans le dernier budget il y a de l'argent qui a été mis de côté pour adresser ce problème-là.

**M<sup>me</sup> MacDonald:** Comme la ministre a dit, on a ajouté 12 employés à la direction, qui est responsable des décisions pour l'éligibilité pour le programme. De plus, et je pense que c'est votre point, monsieur, on a reconnu qu'on avait au sein du ministère une difficulté de contrôle de qualité. C'est pourquoi un certain pourcentage des décisions a été changé par le tribunal, finalement.

Alors, on a révisé les manuels de formation. On a eu tout un processus de formation pour les employés qui y sont actuellement.

De plus, on a ajouté un nouveau poste. Comme madame la ministre a mentionné, on a un conseiller médical au sein du ministère, un conseiller chef de médecin.

Et on a ajouté un député pour, précisément, avoir beaucoup plus de priorité pour ces cas-là qui sont plus complexes. Ce sont parfois des cas très complexes où il y a beaucoup de témoins médicaux, où c'est difficile de discerner.

Parfois c'est beaucoup plus simple et on fait une erreur. Ce sont des êtres humains et ils font des erreurs.

Avec la formation, avec une amélioration des matériels, avec l'ajout de nouveaux employés et surtout

avec l'ajout d'une deuxième personne pour contrôler la qualité des décisions et pour faire la formation continue, on a l'espoir que ça va améliorer sous peu.

**M. Bisson:** Madame, votre français est très bien.

**The Acting Chair:** Thank you, Ms. MacDonald and Mr. Bisson.

**Mr. John Wilkinson (Perth-Middlesex):** Minister, I was wondering if you have any closing comments for us.

**Hon. Mrs. Meilleur:** Yes, I do.

First of all I wanted to thank everyone here for your sincerity, for your honesty. I think that a lot of the comments or questions will help us to improve the service, and that's what we want to do. So thank you very much.

It has been a great honour for me to speak to the estimates of my ministry. As you have heard, my ministry has accomplished a great deal in the past three years to help Ontario's families succeed.

C'est avec beaucoup de fierté que je me suis faite la porte-parole pour le ministère des Services sociaux et communautaires afin de partager avec vous les avancées récentes réalisées au profit des Ontariennes et des Ontariens, et les progrès majeurs qui ont été apportés à nos programmes depuis que notre gouvernement a été porté au pouvoir en 2003.

Our government believes in the potential of all Ontarians. We believe that Ontarians deserve the opportunity to make better lives for themselves.

Notre gouvernement exprime cette conviction en offrant un soutien aux familles qui ont besoin de notre aide et en élargissant les horizons d'opportunité d'intégration à tout le monde.

Strengthening Ontario's families is the single most important component of every program of my ministry. There are men, women and children who need our help. Families that have fallen on hard times, mothers and fathers who just need a little help to build a better life for their children, people who are homeless and those who are hard to house, women who need a safe refuge from violence for themselves and for their children, women who need to rebuild their lives: These are our clients. These are the real people whom we in Community and Social Services deal with every day.

My ministry is not just about policies; it is about helping people help themselves.

Nous apportons le soutien dont les familles ont besoin afin qu'elles puissent réintégrer le marché du travail pour que leurs enfants puissent connaître un avenir plus prometteur. Nous proposons des pistes à suivre pour acheminer vers une vie meilleure.

I am proud to say that the Ministry of Community and Social Services is making its contribution to the betterment of Ontarians' quality of life, and our efforts to support Ontario's families cut across all government ministries.

The government has added new vaccines to protect children and has expanded nutrition programs in schools so that children are healthier and ready to learn.

We have limited college and university tuition hikes, doubled student aid and increased student grants so that

more of Ontario's financially strapped students have access to higher education.

We have improved health care and reduced wait times on many procedures so that families have renewed confidence that they and their children will be well cared for.

We have improved accessibility for all Ontarians with the passage of the Accessibility for Ontarians with Disabilities Act, 2005.

Nous continuons à travailler en étroite collaboration avec les spécialistes du domaine afin d'améliorer l'accessibilité dans tous les secteurs de notre société.

Nous travaillons également à améliorer l'intégration et l'autonomie des personnes sourdes et aveugles en créant des fonds d'investissement majeurs.

We are well along in our transformation of developmental services. This year alone, we are investing nearly \$84 million in new funding to strengthen the supports that people with a developmental disability need to participate and live in our communities.

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Mon ministère a également remédié à plus d'une décennie de coupures budgétaires et de négligence dans les services sociaux.

We can't completely make up for the lost years, but we send a strong message that our government will help as much as we are able.

We increased Ontario Works and Ontario disability support program rates by 5%, and families on social assistance with children will receive an additional \$56 million in 2006-07 and another \$75 million in 2007-08 under the national child benefit supplement.

We have developed strong employment supports and job programs to help people on Ontario Works and the Ontario disability support program find and keep meaningful jobs. We also gave our clients continued access to health benefits after leaving the program, because we heard that the fear of not being able to pay for medicine was preventing people from working when they wanted to work.

Our JobsNow pilot project is continuing to show great results. Less than a year after it was launched, more than 2,200 long-term social assistance recipients are working.

Ce sont là des personnes et des familles qui peuvent désormais envisager l'avenir avec un regain de confiance.

That decade of neglect was evident too in our violence-against-women programs. Our ministry has embraced Premier McGuinty's \$68-million domestic violence action plan. Our violence-against-women programs are doing more than just helping women escape abuse; they are helping them rebuild their lives for themselves and their children. We continue to strengthen these services so that women can find help when they need it.

Nous avons fourni un financement accru pour les refuges, les services de counselling et les foyers d'étape intermédiaire.

Nous avons également accru nos services d'écoute téléphonique d'urgence, afin que les femmes franco-

phones puissent obtenir, dans leur propre langue, l'aide et les conseils dont elles ont besoin.

We are supporting 39 domestic violence community coordinating committees to harness community resources and provide community leadership to combat domestic violence.

For our most vulnerable citizens, those who are homeless or difficult to house, we are working with our municipal partners to provide much-needed shelter and support.

We have also re-established and maintained strong municipal partnerships that have been neglected, and we tailored our programs where we could to meet their needs. We increased the per diem rate twice for municipally operated homelessness services and provided additional funding for people who are at risk of losing their homes. This year, we are also increasing per diem rates by 9% for domiciliary hostels.

Nous avons fait aussi en sorte que les services de notre ministère fonctionnent mieux et avec une efficacité accrue.

We have closed loopholes and changed rules so that our programs are more accountable and are designed for the people who truly need them.

We brought forward progressive legislation in adoption disclosure that was passed by the Legislature, and we are making the Family Responsibility Office work better for Ontario families.

We have accomplished all of this with people in mind: getting the right services to the right people, people who need these services most.

Je me réjouis à l'idée de poursuivre le travail avec tous mes collègues afin de réellement contribuer à la vie des personnes qui ont besoin de notre aide, grâce à des programmes réfléchis et constructifs qui contribueront à promouvoir les droits des citoyens et citoyennes de notre province, à rendre nos collectivités plus fortes et à donner aux familles le soutien et la force dont elles ont besoin pour améliorer leur sort. Merci.

I would like, in closing, to thank the staff of the ministry for their support and for helping me to answer all your questions.

**The Acting Chair:** Thank you, Minister.

There are approximately 10 minutes remaining on the government side. Mr. Wilkinson.

**Mr. Wilkinson:** Thank you, Chair. We appreciate your consideration to make sure that our minister had a chance to have her closing statement fully on the record.

Minister, I just wanted to ask you a couple of questions about adoption, if you'd be interested in helping us with that, and I'm sure you would be. We know that the ministry recently was able to get the Adoption Information Disclosure Act through the Legislature. This piece of legislation will, as I understand it, make it easier for thousands of adoptees and birth parents to learn about their medical and personal histories. But how is your ministry going to protect the privacy rights of women who were forced to give up their children for adoption so many years ago?



**Hon. Mrs. Meilleur:** That's a very good question. We are protecting people's right not to be contacted. We are saying that the right to know is not the same as the right to a relationship. People will have the right to register a no-contact notice to protect their privacy. There are significant penalties for those who do not respect the no-contact notice. In other jurisdictions these penalties have been effective and we are not aware of any individual breaching a no-contact notice anywhere in Canada.

We recognize there may be some exceptions where an individual should be allowed to maintain his or her anonymity in order to protect personal safety. If there are safety concerns, the act will allow adoptees, birth parents and other individuals to apply to the Child and Family Services Review Board to prevent disclosure of identifying information to the other party. This includes a consensus where the release of the information may result in sexual harm or serious physical or emotional harm. The Child and Family Services Review Board will determine the forum for how applications are reviewed.

**Mr. Wilkinson:** Minister, I know the adoption legislation we're talking about required an 18-month transition so that your ministry can slowly create a new administrative body that will be able to process requests from the adoption community to have this information released to them. Do we have a name for this new agency? Could you be a bit more specific in your vision about what services they're going to provide?

**Hon. Mrs. Meilleur:** First of all, we wanted to have it right, so that's why we wanted to take the time. We need to take the time to implement a system that will make it easier for adult adoptees and birth relatives to find the information they are looking for. Upon full implementation of the legislation, the Office of the Registrar General is expected to provide identifying information to birth parents and adoptees to give them the information they need, the information all of us take for granted, and the right to know their personal identity and history.

The custodian of adoption information will be developed in consultation with our stakeholders. Face-to-face meetings with stakeholders begin in March and the consultations are expected to continue through the spring and summer. We are expecting to have completed these consultations in the fall.

**Mr. Wilkinson:** Thank you, Minister. I know Mr. Arthurs has a question.

**Mr. Arthurs:** Yesterday Minister Sorbara had the opportunity to introduce Bill 117 to provide some energy cost relief to low-income families, and part of that reflects on your ministry and those on social assistance. Not only electricity rates, but gas, propane and oil rates are going up, not just in Ontario, not only in Canada, but across North America, if not internationally. Those who are vulnerable to the costs of energy are the most significantly impacted. Can you let us know what your ministry is doing in this context to help those you service to ensure they're able to pay the necessary energy costs to ensure they have energy when they need it?

**Hon. Mrs. Meilleur:** In 2004, we created the emergency energy fund to help vulnerable households if they

find themselves facing an energy-related emergency. This included, of course, financial assistance. The fund covers various forms of energy such as electricity, gas or oil. Our municipal partners are the delivery agent of the emergency energy fund. We are also working with the Ontario Native Welfare Administrators Association to deliver assistance to First Nations.

In 2005, we renewed and annualized the emergency energy fund to assist low-income Ontarians on an on-going basis. In 2006, this government announced emergency energy funds and doubled the amount from \$2.1 million to \$4.2 million. Municipalities will receive an increase from \$2 million to \$3.7 million. The ONWAA will receive an increase from \$100,000 to \$500,000. Social assistance recipients receive amounts for basic needs and shelter. Usually the shelter amount includes the energy costs, but social assistance recipients may receive additional help from that fund.

**Mr. Arthurs:** Those who find themselves in the greatest need will want to have the opportunity to access that emergency fund in times of crisis, I assume.

**Hon. Mrs. Meilleur:** Yes, indeed. I'm told there was still money in this emergency fund at the end of last year.

**The Acting Chair:** Are there any further comments on the government side? Seeing none, we'll proceed to the vote. Thank you, Minister.

**Hon. Mrs. Meilleur:** Thank you very much.

**The Acting Chair:** Shall vote 701 carry? Carried.

Shall vote 702 carry? Carried.

Shall the estimates of the Ministry of Community and Social Services carry? Carried.

Shall I report the estimates of the Ministry of Community and Social Services to the House? Agreed.

We'll take a five-minute recess to facilitate the transition here.

*The committee recessed from 1700 to 1706.*

## MINISTRY OF FINANCE

## MINISTÈRE DES FINANCES

**The Acting Chair:** We'll begin by welcoming the Minister of Finance and officials from the Ministry of Finance. The minister has up to 30 minutes to give his remarks, and we call on the Honourable Gregory Sorbara. Minister?

**Hon. Greg Sorbara (Minister of Finance, Chair of the Management Board of Cabinet):** Thank you, Mr. Chair. I'm a little bit rusty. I don't have to push anything here, right?

**The Acting Chair:** You weren't away that long.

**Hon. Mr. Sorbara:** It all depends on where you're coming from.

**The Acting Chair:** Yes, I suppose.

**Hon. Mr. Sorbara:** I'll just begin by introducing people that I think committee members know: Deputy Minister Colin Andersen to my right and, to his right, Len Roozen, assistant deputy minister, the guy who sort of oversees all of our expenditures.



**The Acting Chair:** Minister, you may have to just speak up a little bit.

**Hon. Mr. Sorbara:** Okay. I'm kind of nursing a cold here, but I'll try and do that and watch my watch at the same time.

**The Acting Chair:** Thank you.

**Hon. Mr. Sorbara:** Firstly, our thanks to the members of the standing committee for this opportunity to address you today. Obviously I'm going to provide you with details of the Ministry of Finance operating and capital expenditures, but before I do that, I think I would just like to put on the record and acknowledge the incredibly great work that my predecessor, Dwight Duncan, did during his time as Minister of Finance.

This is a crazy business that we're in, this business of politics, and on the night of October 11 last year Dwight Duncan got a call from the Premier to say, "Would you get over here by about 10 o'clock because you're being sworn in as the Minister of Finance?" I can tell you without dwelling too much on the subject that Dwight never skipped a beat. In fact, from my perspective, resuming a position that I had until October 11, I now have very big shoes to fill. Among the accomplishments during his time in finance was of course the preparation, oversight and presentation of one of the province's most important budgets yet.

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As members know, the estimates for the Ministry of Finance provide the details of our operating and capital expenditures for 2006-07. They constitute our formal request to the Legislature for spending authority to implement key programs and services.

Today, I would like to tell you about the McGuinty government's 2006 fiscal plan. Its objective is very simple: a stronger, more vibrant economy for the people of Ontario. I also want to talk for a bit and to update you on the Ontario economy, to report to you on some of our achievements over the past and to say a word or two about the various measures that we're taking to manage our resources.

Aujourd'hui je voudrais vous parler du programme fiscal de 2006 du gouvernement McGuinty, un programme qui renforce notre avantage économique. J'aimerais aussi vous donner un compte rendu sur l'économie de l'Ontario, vous parler de nos accomplissements de l'année passée et des mesures que nous prenons pour bien gérer les ressources du gouvernement.

The McGuinty government's 2006 budget is the third in our long-term plan to strengthen Ontario's economic advantage and to do so by strengthening our people. I believe that planning is our strong suit.

The highlight of this year's budget, as you know, was transportation infrastructure. We invested in public transit, roads and bridges, doing all that while staying on track to eliminate the deficit. We were able to do this as a result of additional revenues in 2005 from an economy that outperformed expectations. I believe that that is a tribute to the working men and women of this province.

Can I begin with a word about infrastructure?

Infrastructure: our schools, places where our kids learn, the hospitals where we treat those who have become ill, public transit systems that we ride, the roads we drive on, the plants that clean our drinking water and the power stations that keep our lights on.

Quick, reliable and safe transportation is vital to our economic success. It is also essential to our quality of life. By the way, we don't need to go beyond yesterday and the unfortunate work stoppage in the city of Toronto to understand and cast away any doubt about the wisdom of the transit investments that we made in last month's budget. Can I just provide some statistics on what happens when you don't have good transportation systems?

Transport Canada has reported that traffic slowdowns and gridlock in nine major Canadian cities costs the economy as much as \$3.7 billion a year. In the greater Toronto area, traffic congestion costs about \$2 billion a year. All around the world, decision-makers know the tremendous importance of infrastructure and the problems that result when goods and people cannot move efficiently. That is why we announced Move Ontario, a new \$1.2-billion investment in public transit, municipal roads and bridges.

As you heard when the budget was presented, the centrepiece of Move Ontario is a landmark \$838-million investment to enable the expansion and modernization of public transit in the greater Toronto area. That transit system will serve some four million people, and by the time it's completed perhaps five million people, in the greater Toronto area and millions of visitors who will come to the greater Toronto area every year.

C'est pourquoi nous avons annoncé Transports-Action Ontario, un nouvel investissement de 1,2 \$ milliard dans les transports publics, dans les routes municipales et dans les ponts. La pièce centrale de ce programme est un investissement de 838 \$ millions pour l'expansion de transports en commun dans la région du grand Toronto.

This investment will help to build a new subway into York region, the fastest-growing part of the greater Toronto area, and new projects to fight gridlock and speed travel across Brampton and Mississauga. The city of Toronto and York region will be able to use some \$670 million to extend the subway to the Vaughan Corporate Centre at Highway 7. For the first time in our history, subway service will be able to extend beyond regional boundaries—in this case, from the 416 area to the 905 area—building opportunity for everyone in the GTA. Mississauga will be able to develop its Transitway, a dedicated bus line along Highway 403 and Eglinton Avenue. Brampton will be able to build its AccelERide project, providing express bus service through dedicated bus lanes within the city.

Importantly, Mr Chairman, we have also introduced legislation to establish the Greater Toronto Transportation Authority, which would promote seamless movement of people and goods, and oversee an integrated fare card for use across all the GTA transit systems. These investments, I believe, are just the beginning of a new era in public transit in the GTA.

But our vision for transportation infrastructure extends across the province. Through our \$30-billion, five-year ReNew Ontario plan, the government will provide a total of \$3.4 billion to improve the provincial highway network in southern Ontario and \$1.8 billion for highways in northern Ontario. Move Ontario has provided an additional \$400 million in immediate, one-time funding, with special emphasis on rural and northern municipalities, for roads and bridge repair and upgrading. Ultimately, this will mean not just safer roads and more reliable movement of goods and people across Ontario, but also the timely delivery of goods across our borders, because exports are the lifeblood of our economy.

Just a word on borders: Not all of you know, perhaps, that more than 70% of the value of Canada-US road trade is carried on Ontario highways. In 2004, 45 million vehicles, including nine million trucks, used Ontario's 14 border crossings with the United States. Our responsibility is to make sure our borders with the US are safe and secure but still allow the swift flow of goods. To this end, we've already made highway improvements near our border crossings to help with traffic flow and safety concerns. We'll be moving forward with the federal government on our \$300-million investment in the Windsor gateway and the \$323-million investment in the Niagara and Sarnia crossings.

Effective borders are important to people and businesses, and so is electricity. This government has taken on one of the most ambitious building programs in North America for new electricity generation. Over the course of three years, the government has initiated dozens of projects to provide, together with conservation efforts, about 11,000 megawatts of supply over the next five years. That's enough power, by the way, to supply some five million homes. On the transmission side, Hydro One is investing more than \$3 billion over the next five years to sustain, expand and reinforce its transmission and distribution systems across the province.

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The government is also committed to making green, renewable energy a key part of Ontario's future supply mix. We have set a 5% generation target of Ontario electricity capacity, or 1,350 megawatts, from renewable sources by 2007 and 10% by 2010. We are also committed to creating a culture of conservation. Our goal is to achieve a 10% reduction in the government's electricity use by 2007, and we are encouraging consumers to reduce their use of electricity with the installation of some 800,000 smart meters by 2007, and in all homes and businesses by 2010. Be it through new generation or conservation, this government will keep the lights on.

Que ce soit grâce à de nouveaux investissements en génération ou par des mesures de conservation, le gouvernement McGuinty s'assurera que l'électricité demeure allumée en Ontario.

One of the things we're most proud of is that in 2005-06 Ontario's electricity users have paid off about \$1.1 billion of the stranded debt of the old Ontario Hydro.

What sets Ontario apart from other jurisdictions across the globe? I think the answer to that is simple: It's the

high quality of our business environment, the diversity of our economy and our highly skilled and diverse workforce. We are home to Canada's largest manufacturing sector, we are home to the continent's leading auto sector, we are home to the country's leading information and communications technology sector, and we're the hub of Canada's financial services sector, which underpins economic activity right across the country. We believe that government policy plays a vital role in the continuous enhancement of Ontario's competitive advantages and, of course, in helping to ensure that the economy can weather the challenges it may face.

As all of you know, a competitive tax system is essential to attract business investment and encourage economic growth. Although corporate income tax rates in Ontario remain competitive with surrounding jurisdictions, Ontario's capital tax is widely recognized as a barrier to attracting investment and fostering new economic growth, because it taxes investments rather than business profits. In the 2004 budget we announced plans to gradually phase out the province's capital tax. In the 2006 budget the government is proposing to accelerate the capital tax rate cut so that the capital tax will be cut by 5% in 2007, a full two years earlier than planned, and we intend to eliminate it altogether in 2010 if our fiscal situation allows.

To help the financial services sector flourish, we will continue with regulatory reforms that foster fair and effective financial markets. In this regard, I want to reiterate that the McGuinty government continues its strong advocacy for a common securities regulator in Canada.

Now, if I could, just a word about innovation and education, and the role these policies play in the long-term economic success of Ontario. Intelligent governments understand how science, technology, innovation and education policies can efficiently contribute to sustainable economic growth and job creation. To ensure that Ontario is coping with challenges arising from developments in new science-based industries, notably biotechnology, our government is placing considerable emphasis on research and innovation. I think that's why it is the Premier himself who leads the Ministry of Research and Innovation. Under his watchful eye, we plan to invest nearly \$1.7 billion in research and commercialization over the next five years, to 2009-10.

A word about our manufacturing sector: It's the mainstay of our economy. Manufacturing accounts for 17% of Ontario's employment and 21% of its gross domestic product. We've become the continent's best when it comes to the automotive sector. Our automotive investment strategy has leveraged almost \$6 billion in new investment. You probably remember, four of the world's leading automakers—GM, Toyota, Ford and Daimler-Chrysler—have committed to making new investments in Ontario in cutting-edge auto manufacturing technology, confirming that Ontario continues to be the best place in the world to manufacture automobiles.

Since those announcements, both Linamar and Honda announced investments, in the case of Linamar, of \$1.1



billion, and in the case of Honda, \$154 million. Both these investments come with the assistance of the Ontario government. More importantly, these investments will create 3,000 well-paying and highly skilled jobs at Linamar and another 340 jobs at Honda.

In the resource sector, we all know that our forest industry has faced substantial challenges, so we're working with them to help lever investments to improve our competitiveness. On the other hand, Ontario's mining industry is booming. Today, Ontario's first diamond mine is under development. Toronto has emerged as one of the world's premier centres for mining finance.

Finally, I believe that one of the many success stories of Ontario's diverse economy is the growing entertainment and creative cluster, a very important employer and contributor to GDP. This year's budget included proposals to enhance a number of media tax credits and to provide capital support for six major Ontario cultural attractions. This cluster, we believe, has great potential to grow and create jobs and to continue to attract tourists, business and investors.

Need I mention, as well, the substantial progress we are making on deficit reduction? We have reduced the \$5.5-billion deficit we inherited from our predecessors in 2003-04 by 75%, down to \$1.4 billion for the fiscal year 2005-06. We're on track to eliminate the deficit in 2008-09, or a year earlier, should we not have to call upon the \$1.5-billion reserve provided for in that year.

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Now let's look at Ontario's economic growth. In 2005, it was well above average private sector projections at the time of the 2005 budget. I think that speaks to the fundamental strength of the Ontario economy and how hard-working the people of Ontario are, but to be frank, exterior forces continue to challenge Ontario's growth prospects.

While short-term interest rates moved moderately higher and oil prices reached record levels, it's important to note that consumer spending, the housing market and real business investment held up very well in 2005, notwithstanding those pressures. That's good news. At the same time, Ontario exporters faced significant challenges because of the sharp rise in the Canadian dollar, but they managed to record modest gains, increasing exports for the second straight year, and I believe that's a show of strength. Despite the high dollar, manufacturing output has increased and firms have raised productivity.

Overall—this is very good news—employment continues to rise, reducing the annual average unemployment rate to 6.6%, the lowest in four years. It's worth noting that the Ontario economy added 81,200 net new jobs in 2005, and that's an increase of 1.3% over 2004. Almost 254,000 net new jobs have been created in Ontario since October 2003. These new jobs include 68,000 in the education sector, 36,000 in construction jobs, 51,000 in finance, insurance and real estate, 45,000 in wholesale and retail trade jobs, and 24,000 professional, scientific and technical service jobs. Over 90% of these jobs are full time.

I want to put Ontario's growth prospects in context. Over the 2006-08 period, Ontario is expected to remain one of the fastest-growing regions when compared to major industrial countries. Private sector forecasters expect real GDP growth in Ontario to average about 2.7% a year during that period, faster than any other G7 industrialized nation, except Canada itself as a whole and the US.

I want to highlight some of the recent achievements of the Ministry of Finance, and before I do so, I just want to mention the changes that have been made to merge the ministry-published, results-based plans and estimates briefing books that those of us who have been around here for some time are familiar with, the merging of those two documents into one document that is now known as the results-based plan briefing book. The changes in the briefing books are consistent with this government's commitment to transparency and accountability, including changing the nature of how we manage, the way in which we budget and the way in which information is reported to the public. The integration of these documents simply provides for better public reporting.

**The Acting Speaker:** Minister, there are about five and a half minutes left.

**Hon. Mr. Sorbara:** I have about 25 minutes to go, though. I'm just kidding you.

I want to wrap up with some of the achievements of the ministry over the past year. Obviously, the most important is producing and supporting the implementation of two budgets in one fiscal year because of the timing. We published the long-term report. We made improvements to our tax administration system. We released the public accounts. We supported various federal-provincial meetings and worked on numerous interministerial groups.

In the area of tax policy, budget and revenue operations, we published the Transparency in Taxation report. We completed the planning phase of the modernizing Ontario's systems for taxation administration. That's very complicated and I hope you have a bunch of questions about that, but it really is the modernization of how we collect taxes. We created—this is important for consumers—the tax advisory service branch, designed to enhance taxpayer education services and improve legislative rulings, interpretations and staff training.

In the economic, fiscal and financial areas, we improved the timeline for the province's financial reporting by tabling the budget before the beginning of the year. We produced that long-term report Toward 2025. We worked with the Ministry of Natural Resources to provide strategic economic advice in bringing forward some \$900 million in support for Ontario's forest industry; and we introduced the Ontario municipal partnership fund, which replaced the old and unworkable community reinvestment fund.

In the area of service delivery and consumer issues, we introduced legislation to revise the Mortgage Brokers Act, and we released a consultation paper, entitled



Modernizing the Credit Unions and Caisses Populaires Act, to gather stakeholder input on bringing forward a new and more effective act in that area.

In financial management, we achieved total savings of some \$109 million through better money management; we saved the Ontario Electricity Financial Corp. over \$9 million annually by issuing a real return bond that replaced a bond at 3.25% over the Ontario CPI; and we saved GO Transit some \$11.5 million by way of procurement advice and currency hedging.

Finally, in the area of administration, the ministry has been able to identify a number of opportunities to consolidate revenue processing from other ministries within the Ministry of Finance. We've increased the use of electronic revenue processing, and we've helped develop and deliver the ministry's third results-based plan within budget and within FTE limits.

Just to wrap up, I want to reiterate that our government is strengthening Ontario's economic advantage and building opportunity through investment in infrastructure, post-secondary education, research and innovation, and key economic sectors while maintaining a competitive business environment.

I'm proud of what we've accomplished so far. I think every analyst says that Ontario's finances are now in much better shape. I believe that every analyst says that Ontario's investments in health care, education, post-secondary education and infrastructure are the kinds of investments that this economy needs to continue to grow and flourish. That is not to say that there are not incredible challenges ahead, but from my perspective, coming back to this job, I say, so far, so good.

**The Acting Chair:** Thank you, Minister. We'll move on to Mr. Hudak.

**Mr. Tim Hudak (Erie—Lincoln):** Thanks very much, Chair. I apologize; I got in here just after the minister's remarks began. Process-wise, what's the—

**The Acting Chair:** You have till 6 o'clock, but you have a half hour in total.

**Mr. Hudak:** Okay, so we'd come to the remainder.

**The Acting Chair:** Yes.

**Mr. Hudak:** Minister, first, welcome back. It's good to see you here at the estimates committee. As I indicated to you in the House last night, I salute you for your courage and tenacity in taking on some personal issues in the last number of months. Our public profile—if you don't have that in politics, you don't have much. I commend you for your efforts and your fortitude in fighting back, and for being back in a chair that suits you very well.

There are a number of issues that really had your fingerprints on them, issues that you began and announced in previous budgets. Then, in the interim, Minister Duncan either advanced them more, didn't advance them, or they didn't move as quickly as some of us expected. I'm going to use up some time in this initial session just to ask you about that and to gather their status.

One of them is the mortgage brokers act. It was Minister Duncan that introduced that act earlier this year,

but a lot of the preliminary work was done by you when you were the minister, and your staff continued on. The mortgage brokers act has not been called for second reading debate. I think it's a good piece of legislation. I'm looking forward to a committee opportunity to look at it in detail; I think it's important that we move forward. But I'm curious as to its status and if we will be seeing that legislation moving forward this session.

**1740**

**Hon. Mr. Sorbara:** First of all, thanks for your kind words.

You mentioned that Minister Duncan had carriage of it. It's interesting that a good deal of the work on that was done by the now Minister of Citizenship and Immigration, Mike Colle, the member from Eglinton—Lawrence, who really did a super consultation process. I think the short answer is that the government is committed to moving forward with that legislation. We think that we have struck the right balance. Consumer protection and a high quality of regulation that is efficient is the underpinning of that legislation.

Now, I need to confess that I have not had a word with the government House leader to find out the timing of when the bill will come back before the Legislature. I am going to do that. There are a number of pieces of legislation that we want to move forward as quickly as possible: Yesterday, we had second reading of the bill to provide assistance to lower-income families dealing with higher electricity rates, and we hope that bill will move fairly quickly. But I simply don't have a timetable yet as to when the House will deal with—I guess it's second reading of the bill, is it not?

**Mr. Hudak:** Yes. It was called for second reading back in the February session or something like that: It was a number of months ago that it was brought forward. The minister at the time Mr. Duncan had indicated that he was looking forward to moving with some speed on the mortgage brokers act, and then it disappeared into the abyss a little bit.

**Hon. Mr. Sorbara:** Yes, but I wouldn't want you to misinterpret that as a loss of enthusiasm to proceed with the bill.

**Mr. Hudak:** Thanks for that, and I do hope that you'll have a chance to have the House leader push it forward.

Another request on that before I move on: There are a couple of areas that we in the opposition—and I'm sure my colleague Mr. Prue would be interested as well: How are you going to approach some of the issues like exemptions to the act through the regulatory process? There's some concern around the simple referral process. So I wonder if we could have your undertaking that the draft regulations will be brought forward during the second reading process before it's sent back to the House, so that we could have a good look at how the ministry is going to address those somewhat sensitive issues?

**Hon. Mr. Sorbara:** Well, I know that exemptions to the act are one of the substantive issues that gave rise to a lot of comment on the issue even before a bill was

drafted, but just to give you the assurance that we'll get those regulations to the House and to committee in a timely fashion. I wouldn't want to commit to any particular time period, because having just been back a few days, I confess I have not sat down with officials or even with my own staff on this bill and in fact on all the legislation that we're responsible for or that is coming up, except for that electricity act that we dealt with yesterday. Maybe I could repeat myself, that we have not lost enthusiasm for the bill. We think we know what the issues are and we think, frankly, that this is a bill that could have all-party support and move forward relatively quickly once it's called.

**Mr. Hudak:** In the grand scheme, the big picture, it's far from being a contentious bill. Both Mr. Prue and I have made positive comments about it from the opposition perspective in the general sense.

Within the industry and the associated industries like real estate and such, there will be some concern about how exemptions will work, given that it's a simple referral process. I think it would help flow the bill through the Legislature if there was a public release of draft regulations at least that we could take a look at from an opposition perspective.

**Hon. Mr. Sorbara:** I appreciate that request. Let me simply say that I'll get back to you on that once I've had an opportunity to review the larger legislative agenda and get a sense of when the Legislature may be debating that bill again.

**Mr. Hudak:** Thanks, Minister. The other measure you had brought forward in the 2005-06 budget was to modernize the credit union legislation. I made some very positive comments about that, and again, it's welcome. We've been well-served in Niagara by the Niagara Credit Union for some time, which I was a member of at one point in time. They're now Meridian. The consultations took place. Again, a lot of the work was done under your time, and then Minister Duncan released a consultation document.

There was an expectation that a bill would have been forward to the House as far back as the winter session, and definitely the spring session. I think your 2005-06 budget made the commitment that the legislation would be brought forward in the 2005-06 fiscal year. We're now a few months into the 2006-07 fiscal year. What's the status of the credit union legislation?

**Hon. Mr. Sorbara:** I'm a little bit disappointed, to tell you the truth, in our timetable here. It's not for want of proceeding. I remember, in my first year in this job—I think it was our first major pre-budget consultation—I had a number of chats with people who were anxious that we proceed. My sense was that we could proceed relatively quickly. Sometimes other work just intervenes and takes up the time available. But I think it was in the first budget that we mentioned we would proceed. So we are late on this. I think a significant consultation has been done.

I can't tell you today when we might be in a position to introduce a bill into the House to deal with reforms or

perhaps a thoroughly revised act, but I'll note your point, Mr. Hudak. I have not had an opportunity to look at the consultation document, but it's one of the things that is on the agenda for me to study during the summer. Certainly nothing will be presented in the Legislature before we rise for the summer. That's not in the cards.

**Mr. Hudak:** Will efforts be made for the fall session?

**Hon. Mr. Sorbara:** I don't want to make commitments I can't keep, but obviously I'll be making inquiries about when we can reasonably anticipate getting a bill before the Legislature.

**Mr. Hudak:** You deserve commendation on this. It's something that's had your personal fingerprints on it. You used very positive language when you described the need for modernizing in your budget of 2005-06.

Maybe through you, Minister, to the deputy or your staff: I believe the public consultations formally concluded a number of months ago. What has taken place since the conclusion of the public consultations?

**Mr. Colin Andersen:** We received over 30 submissions on the paper, so we've been going through those. There have been some meetings with the industry as well, with the credit unions and insurance brokers and some others. So we've been going through that. Obviously, with the transition back to Minister Sorbara, we have to now go through all of a fairly lengthy list of things with him to catch him up on where things are at. So that's where we're at.

**Mr. Hudak:** Thank you for that. Are the consultations now complete?

**Mr. Andersen:** There are some follow-through issues with regard to issues. There were concerns that might have been raised, clarifications on some of the ones that are fairly well known and in the public domain. So the formal part of the consultation, I would say, is over. There is legislation and regulations that will go along with it as well, so we're in the process of trying to work our way through that and then also take all of that through the minister.

**Mr. Hudak:** Aside from some catching up with the minister, which is understandable, what else needs to be done on a practical basis in terms of preparing a bill for the minister's approval?

**Mr. Andersen:** Aside from the drafting, the legislation and also the regulations that would go along with it, that's basically the stage where we're at. Like I said, the formal consultations are over with, so now it's really just discussing them with the minister.

**Mr. Hudak:** One of the main items in the consultation paper—I'm flipping to the right page—dealt with modernizing the rules around capital and the new accord, the Basel II accord.

**Mr. Andersen:** The international standards approach?

**Mr. Hudak:** Exactly, which would bring the credit unions to a more modern set of rules around capital. In the consultation paper, it seems you speak quite positively about that. Is that still on track for Basel II as the implementation goal of provincial legislation?

**Mr. Andersen:** Yes. There is certainly general support for modernizing the capital rules. With regard to the



actual implementation and time frame, I'd have to get back to you with regard to when exactly it would all kick in, but some of the leverage tests and all of those—my recollection is that they are generally well regarded, bringing the credit unions into line with standards that are used around the world. It was seen as a good direction to go in.

**Mr. Hudak:** And a relatively non-contentious item, I imagine, during the consultations.

**Mr. Andersen:** Overall, I believe. I mean, there may have been some issues with regard to some individual credit unions that may have a little more difficulty getting there, but I think overall this sector in general agreed that it was the right way to go.

1750

**Mr. Hudak:** Aside from briefing the minister on the consultations, are there contentious items that are holding the process back that you're trying to remedy, or have you come to conclusions as to the advice you're going to bring to the minister?

**Mr. Andersen:** No, I wouldn't say there are contentious issues that are holding it back. Again, we have a new minister with whom we need to discuss where we're at, and confirming the direction.

**Mr. Hudak:** Minister, I'm sure you remember that one of the items I think all of us here around the table are hearing about is the insurance brokers' concern about the credit unions' ability to sell insurance. Credit unions will say that in other provinces they already have that ability to sell insurance, to different degrees of direct relationship, depending on the province.

**Mr. Andersen:** Yes.

**Mr. Hudak:** Do you have a view that you'd like to express on the credit unions' ability to sell insurance?

**Hon. Mr. Sorbara:** The issue of financial institutions selling insurance has been one before the Canadian banking sector for a very long time.

Let me preface comments on insurance with a broader statement on my hope and expectation and vision for the credit union movement or the credit union sector in financial institutions. We're seeing dramatic changes in the way in which financial services are delivered. So many of us do banking online, so few of us go into banks anymore—it's the bank machine, it's a computer at night, it's paying bills with little zippy things, paying for stuff with speed passes at gas stations and stuff like that. So the world of financial services is changing dramatically. My vision is that credit unions find a strong and vital role in this sector.

Tim, you mentioned capital requirements. As I recall—and I'm a little bit rusty—capital requirements was one of the impediments to the growth and vibrancy of the sector, but there is clear evidence that properly regulated, this could add to the quality of consumer services for financial institutions.

Just to give you a quick example which is right close to home, three or four years ago a new credit union opened in beautiful downtown Woodbridge, in the heart of the fast-growing part of the province, in Vaughan,

called the Italian Canadian Savings and Credit Union. There were I think three charter banks in the vicinity at street level. I know about it because they asked me if I wanted to invest and I said, "So long as I get account number 1, because I want to be your first customer." That credit union has grown remarkably, probably faster than any particular branch of any bank or financial institution in the general market area. It filled a niche. It's doing that within current regulations.

As our large financial institutions change and move markets and think about their international mandates, I just think there's a strong and vital role for credit unions. I would not want to say to you that in Ontario that would include the sale of insurance products that are currently sold by insurance brokers around the province.

**Mr. Hudak:** How about the ownership provisions, Minister, around the credit unions' ability to own insurance brokers?

**Hon. Mr. Sorbara:** Again, banks now own insurance companies that sell similar product. See, I don't think the issue for a stronger credit union movement and greater consumer choice in financial services is all wound up with how credit unions can get into the insurance business. It's not a matter of allowing credit unions to do indirectly what they can't do directly.

**Mr. Hudak:** Chair, how am I doing on time for the rest of this session?

**The Acting Chair:** You have seven minutes.

**Mr. Hudak:** Thanks, Minister. The other area that you had brought forward in the 2005-06 budget—and again, we didn't see movement to date—and if I remember the proper term, it basically gave professionals that are regulated health professionals an ability to have spouses or children—they would be non-voting shareholders, right?

**Hon. Mr. Sorbara:** The incorporation of those practices? Yes.

**Mr. Hudak:** Exactly.

And you had indicated that that would be okay for doctors and dentists and that via regulation you could expand that definition beyond those. As you know, the other health professionals have said, "Well, why not us as well?"—physiotherapists, chiropractors etc. Why did you draw the line at doctors and dentists?

**Hon. Mr. Sorbara:** A tough decision. You have to draw the line somewhere. There's no—what's the best way to put this?—sort of set of absolute rules that suggest that, well, as far as doctors and dentists are concerned, they should be able to incorporate in that fashion and others shouldn't have the capacity to use that kind of corporate structure. And there are revenue implications as well. Certainly, if you were around the table when we were discussing those issues, the very questions that you asked, Mr. Hudak, are the questions that we asked ourselves around the table. I think we simply came to a landing to provide that corporate structure for doctors and dentists, and then to be able to do an assessment of what the financial implications are, what the corporate implications are, how the world would change, whether



there would be sufficient revenue implications. We do that in a world where there are, with every passing budget, federal and provincial, different approaches to corporate taxation.

The main theme behind corporate tax, particularly for small business, is that the corporate structure ought to be neutral when it comes to earning income. So, for example, if you do the work of a consultant, it should make no difference whether you do that work as Tim Hudak Inc. or Tim Hudak, consultant. But the fact is that our current taxation system does have certain preferences, and certain burdens on corporations as well.

We didn't want to simply say, "Open that opportunity to all health professionals," because we wanted to get some expertise and some information and some experience with the two professions we chose to include in that budget.

**Mr. Hudak:** I had a private member's bill, Bill 76, you may remember, that extended this to veterinarians as well, who were not included in the first—

**Hon. Mr. Sorbara:** No. I haven't read that bill yet, but I will tonight.

**Mr. Hudak:** Good. Bill 76. It's right after 75, the mortgage brokers act—no. The Homestead Act is 75, which is another good piece of legislation we can talk about.

**Hon. Mr. Sorbara:** You are very good at private members' bills.

**Mr. Hudak:** Bill 76 would extend to veterinarians. It doesn't necessarily mean that it would happen. It would be up to the finance minister of today or of the future to determine whether to extend that benefit, just as the finance minister could make a decision today to extend it to another health professional. Why not include veterinarians as part of that list of options?

**Hon. Mr. Sorbara:** Because as a matter of government policy right now, we've determined to extend the option to doctors and dentists and gain a little bit of experience and be able to do some analysis of the impact and the effect of that. The answer is more or less tied up in the question that you asked initially. To extend to veterinarians raises the question, why not, my goodness, physiotherapists or midwives or other allied health pro-

fessionals? There's no answer other than our determination to put into place that provision for those two professions and to gain some experience and some insight and information as to what the impact will be, as I said, in both financial terms, fiscal terms, and in terms of whether or not this represents an effective way of carrying on a business.

**Mr. Hudak:** Are there still two minutes to conclude, Chair?

**The Acting Chair:** I would wind up right now.

**Mr. Hudak:** Thank you for undertaking the reading of Bill 76, which is only a page.

The point I'd make is, the minister does have the option for the other regulated health professionals. I hear what you're saying; you'll look at doctors and dentists and see how it impacts on the budget and the professions. But at the very least, you could put veterinarians in the same category as chiropractors and physiotherapists as a future option. So I'll ask you to take a look at Bill 76.

It's probably an unfair question to ask today and maybe the minister could endeavour to bring this back to the table. I think you had estimated that the doctors' and dentists' ability exemption would be \$10 million in fiscal year 2005-06 and \$40 million annually thereafter, beginning this fiscal year. Could you bring back to the committee for our next meeting the calculations that form the basis of that \$10-million and \$40-million range?

**Hon. Mr. Sorbara:** We could do that. I'll just put forward this proviso as we wrap up. This, of course, is based on the current provisions regulating corporate income tax, personal income tax, dividend tax credits and the entire system. So they are fraught with difficulties, particularly in the out years, given that corporations pay both federal and provincial corporate tax. We are in the midst of moving toward a single corporate tax collector for Ontario and we're in the midst of negotiating that agreement. But within that context, we certainly will try to provide you with as much information as possible as to how we arrived at those numbers.

**Mr. Hudak:** Great. Thank you.

**The Acting Chair:** Thank you, Minister. The committee stands adjourned.

*The committee adjourned at 1800.*









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**Standing committee on  
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Ministry of Finance

**Comité permanent des  
budgets des dépenses**

Ministère des Finances

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## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
ESTIMATESCOMITÉ PERMANENT DES  
BUDGETS DES DÉPENSES

Wednesday 31 May 2006

Mercredi 31 mai 2006

*The committee met at 1606 in room 228.*

## MINISTRY OF FINANCE

**The Vice-Chair (Mr. Garfield Dunlop):** We'll call the meeting to order. It's good to see everybody here again today.

We've got one little housekeeping item I'd like to clean up before we get going, and I think I've got agreement from both the Liberal caucus and the PC caucus on this. I am of course Garfield Dunlop. I'm the Vice-Chair of the committee. Mr. Hudak can't be here today and he has asked that we stand down his time and continue on next week in rotation. As well, during that rotation period, we will have a longer period of time, but we will also have a complete rotation, as long as the time is equal at the end.

**Mr. John Wilkinson (Perth-Middlesex):** We agree to that.

**The Vice-Chair:** Can I have a motion just to support that, John, or is that okay, Mr. Clerk, just like that? Do we have agreement on that then with everybody?

**Mr. Wilkinson:** We have an agreement that all three parties will share their time equally, given the fact that today one caucus is unavailable to do that. Then when we come back, we will continue with rotations, though more time will be allocated to the one party that's unable to be here today; as long as we all get the same amount of time and we're in rotation, so that we don't have a party holding all of their time to the end of these estimates. I'd prevail on the Chair to make sure that it continues to be fair, and we'll work in a collaborative motion with all three parties to make that happen.

**The Vice-Chair:** Do we have agreement on that, everyone?

**Mr. Wilkinson:** Agreed.

**The Vice-Chair:** Thanks so much, everyone. I want to take this opportunity to welcome the Minister of Finance to estimates today. I also want to congratulate you on being reappointed to cabinet in your old position. At that point, I guess the kind words are all done for the day.

**Hon. Greg Sorbara (Minister of Finance, Chair of the Management Board of Cabinet):** No, no, no. I simply say to the Chair that there's a new element of cordiality—

**The Vice-Chair:** I'm going to be non-partisan from here on in, as the Chair.

**Hon. Mr. Sorbara:** Partisanship but—

*Interjection.*

**Hon. Mr. Sorbara:** Well, there goes that cordiality.

**The Vice-Chair:** Now I'm going to turn it over to Mr. Prue.

**Mr. Michael Prue (Beaches-East York):** I wonder—I'm more than happy to go ahead, but we do have a member now from the Conservative caucus and I would think—

**The Vice-Chair:** It's my understanding—and I don't think Mr. Wilson has come prepared to ask a lot of questions today—our critic in this area wanted to take the lead on it. I wasn't even aware Mr. Wilson would be here today.

**Mr. Prue:** I don't think he was either, by the startled look on his face.

**Mr. Jim Wilson (Simcoe-Grey):** Did you do an agreement or not?

**The Vice-Chair:** Yes, we did. Go ahead.

**Mr. Prue:** I want to start with the fiscal gap. And I've already said what I had to say in the House: Congratulations on the way back. I don't think I've ever seen a happier politician in my life than you in the last couple of days.

**Hon. Mr. Sorbara:** Thank you.

**Mr. Prue:** But about the fiscal gap, when the Premier first started talking about the fiscal gap and you were talking about the fiscal gap, that figure was at \$23 billion. I believe in the last budget that was the figure that was still bandied around. We've heard other figures from other economists and other people indicating that the gap, although it exists, is certainly much smaller than that. What is the best estimate today of the actual fiscal gap?

**Hon. Mr. Sorbara:** Mr. Vice-Chair, let me begin by thanking Mr. Prue for his kind comments and saying, apropos of his opening comments, that obviously I was thrilled that the Premier asked me to resume my former responsibilities, but my joy was that a journey that I should tell you was difficult and bizarre and strange and never quite understood by me had come to an end, and that was as a result of a decision brought down a week ago Thursday in the Ontario court. I was just a very happy person at that time. The rest of it really didn't matter to me, but I'm thrilled that the Premier has asked me to come back and do my work. I have told him that I am going to apply myself to this job with all of the energy and enthusiasm and commitment and integrity that I can muster.

Let's now get to the fiscal gap. I guess it was about a year and a half ago, perhaps more, when our Premier began to raise the issue in a very public and very powerful way. At that time, the number the Premier and our government talked about was \$23 billion.

Just to explain to the committee, to be sure, the fiscal imbalance represents the amount of money that comes out of the province of Ontario to the federal government in one way or another, less the amount of money re-invested by the federal government in one way or another, be it by way of unemployment insurance payments, grants to universities, payments under—perhaps the largest envelope would be our federal-provincial agreement on health care.

So when you add up all the ways in which Ontarians pay funds to the federal government—that would be corporate tax, provincial tax, GST, that would be a wide variety of ways in which governments extract money from the people and the businesses of Ontario—you take that sum and you subtract all the payments that come back from the federal government in a myriad of ways, the difference is \$23 billion.

I want to make it clear to this committee that this government is very supportive of the structure of equalization within Canada. It's part of our Constitution. It's part of what joins us together as a nation.

The issue at that time, when the Premier wisely first raised this issue, was that the burden on Ontario as a result of the size of the gap was restricting our ability as a province to reach our full potential economically and in terms of the real take-home pay of individuals and in terms of the capacity of our health care system and the capacity of our universities.

To be very clear, we never suggested for a moment that somehow it was inappropriate for Ontario to bear a part of those responsibilities to other provinces through equalization. I'm going to ask Assistant Deputy Minister John Whitehead to get into the details of what the number is today, but before I do that, I want to make a couple of other points.

The first one is that that gap, over the course of the past 10 or 12 years, had grown very large. I'm just going by memory now, but I think it was from about \$2 billion back in 1993-94, that era. Over the course of about 10 or 11 years, the growth in the gap, in the differential, in the fiscal imbalance, had become very large. David MacKinnon, at one time the president of the Ontario Hospital Association—I hope I'm getting that right—I think described the gap best when he said that every working day of the year, Ontarians transferred \$100 million to other provinces to support the funding of social programs and public programs and economic programs in other provinces through equalization. He said, and I think he's right, "That's too big a burden on the Ontario economy and its engine," and that we had to come to grips with the fact that we had to reduce that.

Our view is, and I want to make this really clear, that this is not about giving the McGuinty government more money to spend. It's about the national government, in

particular in view of its surpluses, reinvesting some of, more of, what they extract from Ontario into Ontario. That's why I'll be making an, I hope, articulate and well-documented plea to the new Minister of Finance in Ottawa to look at a number of key areas where these investments can be made. I include public transit and transportation, not just under the high-profile projects we've announced, but across the province. I'll be including a plea on behalf of post-secondary education that further investments be made. I look forward to sitting down with him to see where he is thinking of reinvesting, because his own government acknowledged both before and after the election that the fiscal imbalance was a reality that had to be addressed by governments, national and provincial.

Now you asked about—

**Mr. Prue:** Just one simple question: Is it still \$23 billion?

**Hon. Mr. Sorbara:** Oh, is that the question?

**Mr. Prue:** That was the whole question.

**Hon. Mr. Sorbara:** Then I'm going to ask John Whitehead, assistant deputy minister, treasury board office, to answer that. I knew you wanted the preamble, though; I was sure of that.

**Mr. John Whitehead:** I think in the preamble to your question you noted that there have been a variety of estimates—

**Mr. Prue:** Including to the finance committee, of which I am a member. We heard 16 from one person, and 18 and 14—from three economists.

**Mr. Whitehead:** There are a variety of estimates. I think the two numbers of most relevance are the \$23 billion that Premier McGuinty has identified—I'll explain the background on that one in a second—and \$18 billion. The \$18-billion figure is actually derived from the federal publication, the public economic accounts. The \$23-billion estimate takes the \$18-billion figure and extrapolates it to a current year. It's methodology that we have applied. We got that methodology reviewed by KPMG about a year ago to just confirm that we hadn't missed anything in the calculations. I believe they concurred quite thoroughly with the way we had done the calculations. So in current year terms we would say \$23 billion.

**1620**

In the minister's remarks, he mentioned a number of things that are relevant to the calculation of this number, not least of which is the equalization program. The equalization program is, of course, the subject of fairly intense scrutiny nationally right now. There will be a federally appointed panel that we think will be reporting shortly. What happens to the value of the equalization program, of course, affects the value of our gap. What happens to the distribution of other funds that the federal government pays to provinces and territories—for example, a number of things that will be the subject of consultations coming out of the 2006 federal budget: infrastructure funding, post-secondary education funding and the like—all those features of federal-provincial



transfers can affect the net inflows and outflows that the minister referenced in his comments, and so I'd certainly concur that this is a complicated area to land. We're still working with the \$23-billion figure. We feel it's the most current and the most applicable, and until questions are resolved about how the federal budget proposals will actually tumble out, we'll be staying with that one for the time being.

**Mr. Prue:** Just a few things so I can get my head around all these large numbers and how they were calculated: Is the federal surplus counted in the gap?

**Mr. Whitehead:** I think the minister hit the nail on the head: It's the difference between what the federal government taxes out of Ontario businesses and people and what it returns to the province in terms of programs and services.

**Mr. Prue:** So the federal surplus, or lack of a surplus, has nothing to do with the gap?

**Hon. Mr. Sorbara:** Yes, that's right. The fact that the federal government has a significant surplus and will, by the work of analysts of every stripe and persuasion, continue to have a surplus for years and years to come if we continue on the same course—the fact that they have a surplus suggests to us that they have the capacity to deal with the gap, but whether or not they have a surplus is not taken into consideration in calculating the gap.

**Mr. Whitehead:** If I may, I think the minister is absolutely right. The confusion perhaps comes in the discussion of Ontario's fiscal gap versus the fiscal imbalance more generally in the country. The presence of a large federal surplus is often pointed to as evidence of a more general fiscal imbalance. Ontario's \$23-billion gap is more a function of how Ontario is treated within the system of transfers as opposed to the question of whether the federal government is in general taxing more than it needs from all regions for its own program and service requirements.

**Mr. Prue:** If that's the answer about the gap—which surprised me somewhat, I have to tell you—let's go on to EI. Everybody surmises, and I surmise too, that the province doesn't get as much in payments as the people of Ontario pay for EI. I think that's probably a given. But if you leave out labour market training, what is the number? How much more money flows out of the province than comes back in EI payments?

**Mr. Whitehead:** For the specific number, I'll have to look that up. The issue Ontario has raised with respect to employment insurance and a number of other federal transfer payments, both to individuals and to provinces, is the distributional qualities of those things. Part of the issue that has been raised is, are Ontarians systemically entitled to less benefits than people in other jurisdictions? A prime example of that was immigration funding, where the federal government would spend considerably more on an immigrant to the province of Quebec, for example, than to Ontario. With respect to EI, there are differential rules for the time required to qualify for the benefits and the time one is entitled to received benefits. Those tend not to tip in Ontario's favour. We'll have to look up the specific number you've asked for.

**Mr. Prue:** Obviously, because the rules are different for Ontarians, particularly for people in big cities, there must be a huge difference. I don't remember anybody talking about this.

**Hon. Mr. Sorbara:** There are two aspects to the difference. The first is that the employment insurance program now is very well funded and has developed significant surpluses. So in the sense of any insurance program, virtually every province has a negative balance when you compare what is paid in to the system and what comes out in terms of benefits.

We've heard political debate going on in the country about whether premiums should be lower, whether benefits should be increased and whether the surpluses in EI should go into the consolidated revenue fund, and that's a different debate. The issue for us in Ontario is the very one that John talked about; that is, the differential between citizens and residents of Ontario who have to avail themselves of the benefits of EI and the rules that apply to those citizens and citizens in other parts of the country. We think that needs to be addressed.

**Mr. Prue:** Okay, good. That answers the question.

**Mr. Whitehead:** My apologies for the delay in getting that to you. I'll start with a per-unemployed-person comparison, if that's all right. Our estimate is that in 2004 we were looking at an average of \$5,030 per unemployed person in Ontario versus \$7,110 per unemployed person in Canada. If we exclude Ontario from the Canadian average, the average outside of Ontario would have been \$8,340 per unemployed person for what I'll describe as the rest of Canada.

**Mr. Prue:** How many unemployed people, so I can put this into the millions or billions of dollars that—

**Mr. Whitehead:** I was just going to say if we had received all of the \$7,110 of benefits that was the Canadian average, Ontarians would have been eligible for another \$953 million of EI benefits.

**Mr. Colin Andersen:** And \$1.5 billion if we got the same as the rest of Canada.

**Mr. Whitehead:** If we had gotten the average for the rest of Canada.

**Mr. Prue:** Okay. That was the figure I was given. It seemed kind of high to me, so I just wanted to ask the experts.

So it is \$953 million if you take the \$7,110 and \$1.5 billion if you take the \$8,340. That's something Ontarians pay in but do not get back, and that's part of the \$23-billion gap. Is that \$1.5 billion of the gap we're talking about?

**Mr. Whitehead:** It's part of that whole mix. In this particular case, the calculation is the difference between what Ontarians have been able to achieve through the EI program, versus unemployed Ontarians versus unemployed individuals elsewhere in Canada.

**Mr. Prue:** I may have missed the debate in the House or maybe not read all of the newspapers every day, but has this been conveyed? I don't remember seeing anything being conveyed to the federal government that Ontarians who are unemployed deserve a fair share.

**Hon. Mr. Sorbara:** I think it has been. I think it's been conveyed in as many forms as we possibly can. In fact, Michael, it was part of the underpinning or part of the context in which we in Ontario, under Premier McGuinty's leadership, were able finally to negotiate a labour market development agreement with the federal government that provides funding for labour market adjustment programs which ultimately and perhaps indirectly come out of the revenues that come into the employment insurance fund.

My officials will correct me if I'm wrong, but I think every other province had a labour market development agreement through which hundreds of millions of dollars for labour market adjustment flowed into the provinces over the course of a number of years, particularly in areas where there were large-scale shutdowns.

We were also able to negotiate an immigration agreement. In Ontario, we bear the biggest burden of assisting recent arrivals to Canada to adapt to our labour markets, because half the immigrants coming to Canada are coming here, and we did not have an immigration agreement. Part of the argument for ensuring those two programs, the immigration agreement and the labour market development agreement, was that our residents who go to employment insurance receive less than beneficiaries in other provinces. That is all the more reason why we need to have urgently a labour market development agreement and an immigration agreement.

1630

This story does not get the headlines. You'll probably recall that when the Premier started to talk about this—and this is, I say parenthetically, really important to the people of this province—he made the comparison, and John will help me with the numbers, about how much is paid to support a new immigrant in the province of Quebec. I think it was around \$3,300, \$3,400, as compared to Ontario, where the figure was about \$850. That figure gripped the people of this province. One of the reasons why it gripped them was because we see all of the efforts going to assisting new arrivals, who are so critical to the Ontario economy, in adapting to the workplace and communities in Ontario. Those of us who are not immigrants, who were born here or have lived here a long time and are citizens, are thinking, "Now, hold on a second. In Quebec, where, relatively speaking, far fewer immigrants are settling, they're getting \$3,300 per immigrant and we're getting \$800." This just did not sit well. It was that figure that gripped the imagination. The other figures—in UI, in the lack of per capita funding in areas of post-secondary education and health care—have not really stuck in the imagination, but they definitely have been part of the discussion and part of the submissions to the federal government.

John, did you have a final word on this or another word?

**Mr. Whitehead:** No, Minister. You've got the numbers exactly. It's \$3,400 per immigrant in Quebec and \$819 for Ontario.

**Mr. Prue:** I'm quite familiar with those, but I want to go back to EI—and I'm going to go to immigration a little later.

**Hon. Mr. Sorbara:** To employment insurance?

**Mr. Prue:** Yes. In 1996, the number of hours required by new entrants was increased from the equivalent of 300 hours to 910 hours. Has your government sought to reduce that back to 300 hours, the same as it is in most of the rest of Canada? I haven't seen anything. I'm just trying to find out whether it's been done or it's been said.

**Hon. Mr. Sorbara:** If John doesn't know that, and he may, we'll undertake to find that out. But I'm going to wait for a little bit, and it may be that John Whitehead knows whether we've made submissions in that regard.

**Mr. Whitehead:** I'll just pick up on the minister's earlier comment that, in general, the fair share arguments, if I can describe them that way, have been tabled over and over again with the federal government in discussions. The description of the immigration file is quite apt: It did capture the public imagination.

We have at various points in time made public comments about EI treatment and other things. In our discussions at the staff level, in our discussions at federal-provincial meetings, the fair share arguments have been a feature, I think culminating in the May 2005 agreement that Premier McGuinty reached with then Prime Minister Martin. There were some beginnings of work on getting some of the issues dealt with. Immigration specifically was dealt with in that agreement. There have been steps forward. Certainly not all of the files saw steps forward; EI would be one of those.

**Mr. Prue:** The Toronto City Summit Alliance published a report, and I think they're right, that only 27% of all of Ontario's unemployed qualify for EI. Is that true?

**Mr. Whitehead:** I'm not in a position to verify that figure right now. We can try; we'll come back.

**Mr. Prue:** Okay.

**The Vice-Chair:** You have about seven minutes, Mr. Prue.

**Mr. Prue:** Okay, yes. I have detailed questions, but we've got lots of time.

The immigration one you dealt with, I'll just jump to that for a minute. I remember speaking to this issue with the previous government, in the previous House, that we were the only province in Canada that had not signed an accord. Therefore, it is not surprising that we are getting the least amount for our immigrants. Quebec has had their own grid and their own system and their own immigration officer since 1976. They had a 30-year lead.

When we signed that accord, when we finally made the agreement, why did the government agree to the funding? Because the funding is still not the national average? We signed it, thank God, in the end, but we didn't sign on to getting anywhere near the national average or what Quebec gets and we take half of all the immigrants for the whole country. I don't understand why we agreed to sign on to an accord which some would consider late—better late than never—but also not on the best of terms for Ontario.



**Hon. Mr. Sorbara:** I was certainly delighted that we finally signed an agreement. I think the comparison to Quebec, to be fair to Quebec, needs to be interpreted on the basis of their greater responsibility and management for an immigration system than is the case in Ontario.

**Mr. Prue:** Undoubtedly.

**Hon. Mr. Sorbara:** One understands that, and so more cost for administration and things like that. But this was the subject of negotiations where we were trying to get agreement in a number of areas with the federal government. We think those negotiations, as the Premier said at the time, represent a good start. For us, supporting stronger and more vibrant immigration is absolutely key to our future economic vibrancy. I think not enough people realize that in the absence of a strong immigration flow from all over the world, our workforce demographically would be in pretty serious shape. In other words, to be simple and straightforward about it, we're not reproducing ourselves as a population in population growth, and so for new entrants to the labour market in Ontario we look to immigrants. Very high-quality immigrants are coming to Ontario from all over the world, but they need that adjustment.

From our perspective, it was very important to get an agreement. Now although in 2005-06 there is a differential between what is provided on average across Canada and what Ontario gets, the agreement is designed so that by 2009-10 we will be at that national average and so the agreement, from our perspective, is satisfactory. Would we have liked the whole enchilada? Of course we would, but in these kinds of negotiations the fact that we were able to get up there within a matter of three years I think made it a relatively very good deal.

**Mr. Prue:** I just want to be clear about Quebec because often the Quebec number is thrown up, and I agree with you, it is not a fair number. Every time somebody says \$3,400 for Quebec and \$800 for Ontario, the fact of the matter is that they have visa offices abroad, they have immigration officers, they have their own grid system. They do all of those things, and that allows the federal government of having to pay for it.

**Hon. Mr. Sorbara:** Yes.

**Mr. Prue:** Was that ever part of your consideration to get \$3,400 and go that route? I question this because that might be a really good thing for Ontario. We could get the skills we need and get them fast. We could say we want engineers, we could say we want doctors that we recognize and we could say a whole bunch of stuff if we did what Quebec does and if we took the money from the federal government to do it. I often wonder.

**The Vice-Chair:** If you could just take a couple of minutes to answer—

**Hon. Mr. Sorbara:** It's not the policy of this government to establish a parallel immigration recruitment system. As a Liberal and as a very committed Canadian, I like the notion that the national government is the face of Canada as we invite people to this country. I think that's a good thing. Within that context, that historically the government of Quebec has wanted to be a more active

player is understandable, given their distinct culture and distinct language and, historically, their role in being more aggressive in that area than the rest of the country.

**1640**

**Mr. Prue:** Even constitutionally, the province has the right.

**Hon. Mr. Sorbara:** Constitutionally, we could be there. There's no doubt about that. But politically and, for me, as a matter of political philosophy, I think the face of Canada in the rest of the world should be represented by the national government. Now, could we co-operate more with them? Yes. Should we be identifying more directly? I think we have to pursue this. The labour market needs of Ontario—the federal immigration department does a relatively good job on that, but I think we could do even more. But the idea of entering that area and having a parallel system is not something that is in the cards for us right now.

**Mr. Andersen:** It's not a parallel, but I think there are some elements reflecting some of our labour market needs, and we can get back to you on some of that.

**Mr. Prue:** We'll start there the next round.

**The Vice-Chair:** Thanks to Mr. Prue. Now I will turn it over to the Liberals and the minister for their 30-minute response time.

**Mr. Prue:** They have to have fun too, you know

**Hon. Mr. Sorbara:** They always have fun. I've had my half an hour of fame, Garfield.

**The Vice-Chair:** I'm sorry. I didn't think the minister had half an hour yet.

**Mr. Wilkinson:** He opened with half an hour. We thought that was government time, so we're just going to double-check it. I thought we were just going into rotation.

**Hon. Mr. Sorbara:** No, you get half an hour now.

**The Vice-Chair:** You have 30 minutes to ask the minister questions.

**Mr. Wilkinson:** Great. I think Mr. Zimmer has the first—no? Hang on.

**The Vice-Chair:** It's my understanding, Minister, that you have half an hour. According to Mr. Arnott, the clerk, you have half an hour to respond to the comments that were made today.

**Hon. Mr. Sorbara:** I will forgo that half an hour, if that is indeed available. My understanding was that I would and I did present opening remarks yesterday to the committee. At that point, I had thought that both of the opposition parties, the Progressive Conservatives and the New Democratic Party, would be making opening remarks of half an hour. But given that they've moved right into questions, as did Mr. Hudak yesterday and Mr. Prue today, I'm just as happy to forego any response time and simply defer to my colleagues on my left.

**The Vice-Chair:** That would be for a period of 20 minutes then. For 20 minutes now, we start the rotations going. Mr. Zimmer, go ahead, please.

**Mr. David Zimmer (Willowdale):** Minister, I was struck by your comments about the demographic challenges that Ontario faces in terms of the expenses of the



population as it ages, and the decreasing population and the decreasing tax base. Interestingly, there was an article in the Wall Street Journal this morning commenting on Mr. Paulson's appointment as the treasury secretary yesterday. It made much the point that you've just made.

The article says, "Let's start with a fact about which every serious policy analyst agrees: The government budget is on an unsustainable path." Citizens "are living longer and having fewer children. Together with advances in medical technology that are driving up health care costs"—the tax base is going down—"this demographic shift means that a budget crunch is coming when the baby boom generation retires. The promises made to" the current generation for social security etc. "are just not affordable, given the projected path of tax revenues."

Then they pose two broad solutions. It says, "Policy analysts diverge, however, on what to do about it." Those on one side of the argument want to raise taxes to fund all of these promises out there on the table with our generation to look after folks in the coming years. The other side of the argument is that by raising those taxes to fund those promises and keep us all happy in our hospitals, schools, homes and so on, the distortionary effect on the economy is such that it in fact reduces the total tax revenues that are available.

Within those parameters or those choices, how have you structured this budget to meet those challenges or fall between those two broad approaches?

**Hon. Mr. Sorbara:** It's a great question. I think it takes us back to before the previous budget to the plan that we came to government with on October 23, 2003. We found ourselves confronted by a situation, a kind of double whammy: A province that had a strong economic engine had a revenue base that was deteriorating, and deteriorating very badly. The economy grew relatively strongly between, let's say, 2000 and 2003, and during that period provincial revenues from taxation actually declined. At the same time, expenses were going up in the key areas of health care and education fairly dramatically. You're on a collision course when you're confronted with that. Maybe we were not diligent enough to identify the collision course, but the previous administration had presented a budget just four and a half months before the election where they suggested that the budget was balanced. Lo and behold, the former Provincial Auditor, now the Auditor General, gave us a report that we would be inheriting a deficit of \$5.5 billion.

I'll get to the Paulson thing in a second and what the solutions are, but the great thing about what I'm responsible for in government is that there are no magic solutions. It's not as if somehow there's something that you haven't discovered yet. In dealing with a deficit, for example, one can cut services or one can raise taxes. If one is really perceptive, it's probably a combination of a number of initiatives which will start to chip away at your deficit and start to improve your services while at the same time not doing anything to impair the strength of the economy, which obviously is generating the taxes. There's no brain surgery. These equations are relatively simple. It's a matter of getting the recipe right.

When we first came to government, we raised taxes in accordance with what we had committed to in the campaign. The naysayers just threw up their hands and said, "Oh, my God. You're going to kill the economic engine of Ontario." Since that time, we have had consistent and strong economic growth—not as strong as we could have if we could deal with some of these fiscal gap and fiscal imbalance questions, but relatively strong economic growth—and we have had historically high corporate profits. What that says to me is that the economic engine had the capacity to generate in the public sector the revenues necessary to improve public services, because that was our real commitment in the campaign: We've got to find a way to reverse the trend of deteriorating public services, primarily in health care and education. I think we've gone way down the road on those two commitments. When I think of what was going on in classrooms in 2003 and the strength of our classrooms right now, I'm very encouraged by where we're going.

**1650**

**Mr. Andersen:** Maybe I could just add a couple of things to that. There are various forms of social security. Certainly it isn't always just the choice between increasing taxes and cutting benefits. I think another important part would be ensuring that minimizing the cost of delivery of services themselves and trying to get them organized in a way that you can get the cost efficiencies out and still deliver the services that people need.

Certainly health care in this country is a form of social security. There are a number of initiatives that are underway to encourage better integration of the service through LHINs and a variety of improvements on the primary care side of the equation: less duplication of services; better use of electronic delivery of health care, so fewer repetitions of tests and the like; better and more appropriate utilization—not over-prescribing drugs and some of those kinds of things.

On the other side, there are some things that this ministry has actually been involved in, working with hospitals on back-office and some of the supply chain management kinds of issues and improvements that could also help. So it isn't always just a matter of increasing taxes or cutting benefits to put things on a sustainable footing. It's making sure you really are looking at the cost of delivering those services in the first place and getting them as low as you can without jeopardizing the quality of the services.

**Hon. Mr. Sorbara:** Let's wrap up now by getting back to Paulson, which was your real question. One of the things I was proudest of in my first two years in this job was the report this ministry put out called *Toward 2025*, which is the first-ever long-term look at Ontario's economic prospects.

One of the things it did: Its first section dealt with demographics. Demographics is the thing that I think many jurisdictions don't pay enough attention to. Jurisdictions like Japan are facing serious demographic issues because of the lack of immigration to Japan. I think there are issues in the US as well, and I'm sure there are long-

term reports. I would congratulate Paulson for pointing to these issues.

As the deputy points out, the real magic is a more efficient public service and more effective delivery of public services. But in the US we see an annual deficit that is just in the stratosphere compared to what has been the case historically, and a balance of payments situation that is in the same stratosphere as opposed to what has been the case historically. I wish him well. I wouldn't take his job for all the tea in China, but I hope he gets it all figured out.

**The Vice-Chair:** Mr. Milloy, do you have a question of the minister?

**Mr. John Milloy (Kitchener Centre):** Minister, I had a chance to hear your opening presentation yesterday. I have been sort of subbed in and out, though; I had two wonderful years in this committee before I moved on.

I just wanted to follow up to have a bit of an explanation of the hydro debt and the fact that we've started to pay it down; I think it is over a billion dollars. Can you explain, because it is such a complicated thing—the debt presumably has come from the fact that we've subsidized hydro over the years—how this debt is accounted for on the government's books, and the strategy to paying it down; what mechanism is put in place?

I ask that to sort of get a fuller understanding, because so many constituents come to me and complain about the fact that they're paying debt charges and they certainly don't see an end in sight. Also, a lot of them don't understand what that debt represents and how it is accounted for on our books.

**Hon. Mr. Sorbara:** It's a great question. For most people in the province, it's a mystery, except that on your hydro bill every month you get a debt retirement charge.

The best person to explain this, because it is a complicated area, is Gadi Mayman, who is the CEO of the Ontario Financing Authority. That authority is the body that oversees debt management on behalf of the province and all its agencies.

Gadi, do you want, first of all, to give a little bit of background as to how the debt was created and got lodged with us and how we were able to pay down \$1.1 billion over the course of the past year?

**Mr. Gadi Mayman:** Thank you, Minister. When the old Ontario Hydro was broken up in 1999, the two operating companies that most people are aware of are OPG, the generating company, and Hydro One, the distribution and transmission company. There were debt and other liabilities that were entered into on behalf of and guaranteed by the taxpayers of Ontario, and those were put into an organization called the Ontario Electricity Financial Corp. The stranded debt, at that point, was a result of many years of the old Ontario Hydro building up debts it was not able to repay, and was left with the taxpayer.

The first part of your question, I believe, was how it is all accounted for. It's all consolidated on the province's books. It's all one number. So the \$1.1 billion of debt

that you mentioned that was paid down reduced the province's deficit by \$1.1 billion.

**Hon. Mr. Sorbara:** Reduced the province's debt.

**Mr. Mayman:** Debt and deficit.

**Hon. Mr. Sorbara:** Right.

**Mr. Mayman:** The deficit would have been \$1.1 billion higher, had that not occurred.

The stranded debt is paid for through a number of mechanisms. The debt retirement charges the minister referred to, the 0.7 cents per kilowatt hour on everyone's electricity bill, is one of the mechanisms. Coincidentally, last year that generated about \$1 billion.

All items that are related to electricity, whether it's an expense or revenue, go into the stranded debt. Most of the expenditure is on the interest side. It's the interest on the debt that's outstanding from the old Ontario Hydro that is still carried by the province. The revenues as well as the debt retirement charge are also the revenues from the operating companies—OPG and Hydro One—plus the payments in lieu of taxes that are received from these companies.

What is a payment in lieu of taxes? Because these companies are not commercial companies, are not private sector companies, they don't pay taxes. What we do in order to keep them on a level playing field and ensure that the money from the electricity sector remains in the electricity sector is charge them a payment that would be the equivalent of what they would pay in tax.

Last year, OPG had a good year relative to what they had in the past. Hydro One has consistently turned in favourable results. So because of these results, that was helpful in paying down the stranded debt. That's how it all comes together.

**Mr. Milloy:** You said it was a coincidence that we paid down \$1 billion; it's also the profit of these, so to speak, that goes to pay down the debt?

**Mr. Mayman:** That's correct, because offsetting the money coming in from the debt retirement charge, the money coming in from the profits of OPG and Hydro and the payments in lieu of tax that they pay, as well as the payments in lieu of tax that the local distribution companies pay—all of that—there's an offset to that, a big expenditure, and that is about \$1.8 billion a year in interest that has to be paid on the debt that's still outstanding, going back to 1999.

**Mr. Milloy:** So the debt retirement charge doesn't even cover the interest?

**Mr. Mayman:** The debt retirement charge does not cover the interest.

**Mr. Milloy:** Okay.

**The Vice-Chair:** Mr. Delaney, you have a question?

**Mr. Bob Delaney (Mississauga West):** I do.

**The Vice-Chair:** You've got about three minutes for the question and answer.

**Mr. Delaney:** Okay. I can ask it succinctly, and I think it can probably be answered in that. How will Ontario deliver a set of audited financial statements about a year from now, and could you describe how these audited financial statements are going to provide a clear



and consistent baseline to judge, measure or evaluate the viability of the plans and proposals of various parties prior to the 2007 election?

1700

**Hon. Mr. Sorbara:** That's a great question. I don't know if we can do that in three minutes. I know that the deputy will want to have a word about this as well. Shortly after we were elected, as you may recall, we introduced the Fiscal Transparency and Accountability Act, fondly referred as FTAA, and under that act we are required, six months before an election, to present financial statements that are audited by the Auditor General, formerly the Provincial Auditor, so that the three political parties participating in the election, and those who comment and analyze and ask questions, can all be working from the same song sheet. That is to say, no more "We know what's in the books so we know that our campaign commitments can work." My friend Mr. Delaney from Mississauga West asked, how is that going to be done and how is that going to happen? I think the deputy can shed some light on that.

**Mr. Andersen:** Obviously we're going to have to be working with the Auditor General's office to see what kind of information the Auditor General is going to require. As we've been working through all of our various fiscal planning exercises, we've been keeping them in mind and we have regular contact with them. They know that this is coming, putting the budget together, and whether or not the budget will serve as that pre-election report—the timing of it would probably mean that it would make sense for it to be that, but the act itself actually just requires that there be a report, that it provide an update from the most recent fiscal plan and that the auditor review that for reasonableness and then release a statement. Obviously we're just at a point where the current Auditor General will be finishing his term in June and then we'll be working with the next one in the run-up to getting the budget out the door and determining what kind of report that person, whoever it is, will want to do.

**The Vice-Chair:** Thank you very much to the government members for this 20-minute rotation. I'll now go back over to Mr. Prue and the NDP.

**Mr. Wilkinson:** Mr. Chair—sorry, Mr. Prue—we've got about 50 minutes left before we have vote on the opposition day, so if you want to take 25-25, we're okay with that, if that's good with you.

**The Vice-Chair:** That's fine.

**Mr. Prue:** I was going to suggest that for the next round I would just pass, but that will work even better—

**The Vice-Chair:** Okay, let's do that.

**Mr. Prue:**—because I do have to be there.

The questions I've been asking have been about the gap, and I want to continue on the gap because I'm trying to really get my head around what Ontario's not getting, what more the province can ask for, what you have been asking for, what we've been successful in, what we've not been successful in. I've asked about immigration, we've asked about EI—EI was about \$1.5 billion, which is a lot of money. I'm not sure on the immigration; how

much money was that? I know how much it is per immigrant, but how much is the gap, not from Quebec but from the national average? Because I think the Quebec one is a totally false comparison.

**Hon. Mr. Sorbara:** I think John has some details on the particulars of the Ontario immigration agreement. But let's be careful about differentiating between the current fiscal gap and the relative differentials between federal-provincial agreements between the federal government and Ontario and the federal government and other provinces. For example, if you take infrastructure as—

**Mr. Prue:** I was going to ask that as the very next one.

**Hon. Mr. Sorbara:** Okay. Well, let's see if John Whitehead can shed some light on the particulars of the federal-Ontario immigration agreement and what funds, in gross terms and in particular areas, will flow to Ontario as a result of the agreement.

**Mr. Whitehead:** I think maybe it's worth just revisiting the premise of the question a little bit. You were interested in how we stand in the national sense versus—

**Mr. Prue:** Quebec.

**Mr. Whitehead:**—the Quebec comparison.

**Mr. Prue:** Quite honestly, I think they have to be taken out of the equation, if possible.

**Mr. Whitehead:** One of the features of the discussions that we certainly had with the federal government was that Quebec kind of stood alone. The arrangements that they had with the federal government in respect of immigration funding were not replicated across the country. Ontario asked, as the minister has already noted, as a major destination for roughly half of the immigrants who arrive in this country, for an equivalent kind of deal with Quebec. That's why we chose that particular comparator.

Overall, the service changes as a result of this agreement that we're going to be looking at over the next few years will total about \$920 million. The comparison point at the beginning was not with the rest of Canada average because we felt the preponderance of immigration to Ontario—and the fact that Quebec's deal stood alone—was the relevant point of comparison.

**Mr. Prue:** My next questions were around infrastructure. What about infrastructure spending? How much does that contribute to the gap?

**Hon. Mr. Sorbara:** I think we could get almost a team of people up here to deal with infrastructure because of the variety and the complexity of infrastructure agreements between the national government and every province and certainly Ontario. For example, the previous federation government introduced the transfer to municipalities of a gas tax, five cents altogether, fully implemented. I think they're at two or three right now. If the parameters on that transfer were simply infrastructure, then that would be part of a federal investment in infrastructure. As it turned out, it was not restricted to infrastructure, and so I don't think you can include it in that.

There is the COMRIF program, the Canada-Ontario municipal infrastructure financing something or other.



It's a very significant joint agreement where the federal government contributes to relatively smaller infrastructure projects to municipalities. Applications are made from municipalities to a joint body to determine eligibility. There have been direct grants to things like the construction of major infrastructure projects. The Sheppard subway was an example of that—in fact, we have a tradition in Canada, and certainly in Ontario, of major infrastructure projects—and now the York region subway, AcceleRide in Brampton and Mississauga. The costs of those are borne on a one-third, a third, a third basis: a third municipal; a third provincial; a third federal. Then there are very large infrastructure projects, such as the new Windsor gateway and major border crossings; they're specific initiatives. And the contribution to education: some of that money goes for infrastructure.

I don't know if John Whitehead has all the details, but it is a marvellous and important area of federal-provincial relationships and federal-provincial finance. Just before—I'm sorry to go on about this. I just find it so incredibly important, particularly in southern Ontario. We're growing very rapidly. One hundred thousand people a year arrive in the greater Toronto area from other parts of the world to settle. That's a pretty big city. And when you build a city, you're building sewers, you're putting in new waterlines, you're putting in major new electricity capacity, you're bringing in natural gas, you're building roads, you're building hospitals, you're building schools. No other area of the country is growing as rapidly as this area. The Alberta economy is growing very rapidly and their workforce is growing rapidly, but they're not experiencing this increase in population. The only way for that growth to be vibrant and successful is if we can keep up in terms of the construction of infrastructure. It's not just public transit. It's roadways, it's schools, it's hospitals, it's universities, it's water systems, it's electricity, it's purification systems, it's the whole gamut.

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I'm a Liberal and I am a little bit concerned that the previous federal government didn't really grasp that, that it's to everyone's benefit in this province if we join hands as governments—and particularly them, because there are such surpluses—and make these investments that will ultimately, if you do them correctly, make the surpluses even bigger. Because when you put in the infrastructure, you put in the capacity for the next generation of economic activity to take place at its most efficient. I am hoping, as we establish new relationships, that I get to fall in love with the federal finance minister, Mr. Flaherty, and that he can see the wisdom of making these investments, because it doesn't matter who's in power, they have to be made. Coincidentally, if they're made at the level that is really required, they happen to reduce the fiscal gap because it's the federal government reinvesting in the nation. If you take my word for it, it really does result in medium and long-term economic growth and more taxes. The short-term costs are worth it for the long-term gain.

**Mr. Prue:** I couldn't disagree with the words. But the province of Ontario, including your government in the first year or two—the federal government was putting a lot of money forward for housing on a one-third, one-third, one-third basis, which was never spent. We never received it. How much did that contribute to the gap? There was willing money that wasn't taken.

**Hon. Mr. Sorbara:** Number one, we've taken that up. Remember that in our first year, we were dealing with a financial crisis. It's not as if we had a lot of cash, whether operating or capital, to put into these things. Now we're getting our act a little bit more together, and we are in a much stronger financial position. That's why Dwight's budget made historic commitments to transportation and transit.

The reason why it should appear so obvious to Canadians is because you look at our balance sheet and you see that we're going from red to black and we've got a plan. You look at the federal balance sheet and the federal projections, and they have the financial capacity to do this. Economists are absolutely ad idem on the federal government's financial capacity to do it. Some right-wing economists would say, "But they ought not. They ought to simply reduce taxes and put the money back into the hands of individuals and corporations." I understand that economic philosophy. My political philosophy is that public investment is the best way, ultimately, to get larger take-home pay packages in the medium and long term. John, do you want to do some numbers and expand on the programs that are part of the overall infrastructure mix?

**Mr. Whitehead:** Absolutely, Minister. I think, for all of the reasons the minister has given in his remarks, this is a very complicated area. As a general matter, Ontario has not received the same level of investment from the federal government in infrastructure programs—the myriad of programs mentioned—as other provinces. I'll use a couple of examples: Under the 2004-05 Canada-Ontario infrastructure program, Ontario's per capita amount was \$57 per person. The rest of Canada was \$69. Overall, we think—and this is an estimate—but we think we're in about the range of a \$1.2-billion gap on infrastructure investment in the province of Ontario.

This has become a more complex area by reason of some of the announcements recently in the federal budget. The federal budget some extend some of the infrastructure programs; it reforms some. There was, for example, a carve-out in the federal budget for the Pacific Gateway project in British Columbia. Ontario's equivalent of a gateway project would be Windsor. In comparison to our usual per-capita amount of 38% to 39% of the total national dollar, something like 70% of truck traffic going to the United States goes through Windsor.

So we're looking for improvements in our share of infrastructure at least up to a per-capital level, if not beyond for certain strategic purposes. But as I say, the recent federal budget does lead us to have a few questions about this, just because some of this funding is going to be the subject of consultations and discussions as the new programs unfold.

**Mr. Prue:** In the current budget and projecting to the next—I know you can't reveal your whole budget—is there going to be any difficulty matching the federal dollars? I mean, I don't want to be disturbed by saying, "We don't have enough money, and the federal government's handing over stuff for your dream and your goal," with which I agree, and all of a sudden, there isn't enough money to match it. I'm still seeing that in the housing field, mind you; I'm still seeing that in this province.

**Hon. Mr. Sorbara:** If we don't get it in during this round, we can certainly spend some time on housing. I'll have officials just go through, line by line, what we have done in housing.

On the transit initiatives, this stuff was so important for us that we created a particular trust and set aside the money for the major transit initiatives. Our money is already there, and we are now working with the city of Toronto and York region to identify how their contributions to these major transit projects are going to be developed, identified and contributed. We have not yet heard, and I hope we will hear positively, from Mr. Flaherty and Mr. Harper on these projects. I think it's a good investment and I also think it's very good politics, to tell you the truth. But it has to be a good investment.

On the larger things, Michael, I would love to be in a situation where the federal government is putting up money for needed infrastructure and we would have to stretch to find our contribution. I don't believe that will happen, but let us try to get there.

We have to make our own judgments as to the viability of the project. We are absolutely ad idem on the Windsor border crossing and the improvements in other border crossings. To the extent that our borders are impaired or slow, that has a significant impact on productivity and our ability to get products to market in the US in a timely fashion. If the federal government said, "We've decided to build a four-lane, limited-access highway from Kapuskasing to Ottawa," we'd say, "Well, we're not there for you." That's interesting, but it's not a priority for us. But we have not yet come to a situation where they're putting money on the table for infrastructure for priorities that we agree upon, and we haven't been able to come up with our cash.

**Mr. Prue:** I'm going to ask you about municipalities later, but just on this point, the federal government is awash with money and can obviously put up their one third. We may or may not have the money, and you're going to have to look at it on a per-case basis—I just heard that—and I think that's fair. Where are the municipalities supposed to find their one third? That has often, to me, seemed to be the stumbling block, especially the smaller ones. Toronto has a big budget, and they can, I guess, cut something if they need to in order to find the funding, but where do little towns, where do small cities, where do rural places find their one third, even for important things like waterworks? They write to me and they say they can't do it.

**Hon. Mr. Sorbara:** Again, the financing and funding of infrastructure is a complicated enterprise at the best of

times. There are initiatives like COMRIF and like the funding in our budget for northern Ontario bridges and repairs that assist municipalities in doing that.

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By the way, Michael, we have a very specific and very successful program called the Ontario Strategic Infrastructure Financing Authority; I think most of us know it as OSIFA. It is a mechanism by which municipalities can finance the capital cost of these kinds of projects. Of course, when you raise the capital for the projects and you can amortize the cost of that, then you're building infrastructure in the way in which it has been historically financed, whether by business or whether your individual purchase of a home and a mortgage. The problem with municipalities was their ability to raise that capital and finance it at an economic rate. That's where OSIFA has stepped in. John, you may have the figures: some \$2.4 billion in projects being financed through OSIFA?

**Mr. Whitehead:** I will have to look that up, Minister.

**Hon. Mr. Sorbara:** Yes, just over \$2 billion. So that's one of the ways. But again, it depends on what the project is and how the three levels of government participate. Did you have a further comment, John?

**Mr. Whitehead:** Just one small point, Minister. You mentioned amortizing costs, and that's certainly an important part of how we can afford public infrastructure, given the scope of some of these expenses. I will have to check the year, but municipalities will be moving to an accounting standard for fixed assets that will allow them to amortize at least some of these expenses over the life of the asset. So for major things—I think you mentioned water systems; things like that that have long service lives—it certainly helps to make the thing much more affordable. I think that's on the slate for them by 2009. I'll want to check that.

**Hon. Mr. Sorbara:** That's not to say that you're not raising a relevant point. When I did pre-budget hearings in smaller communities, sometimes the mayor and the warden said, "You know what? I know you've got all sorts of big deals going on down there in Toronto, but we've got some bridges that we can't repair, and those bridges are at the point of becoming unsafe." That's why we provided some funds in this budget and we revamped the CRF to give greater capacity, particularly to smaller and more remote municipalities, to more realistically meet their operating obligations. On capital, OSIFA and COMRIF really do play a good, strong role. That doesn't mean that capital is available for every project, and you wouldn't want it to be, because the imagination of municipal politicians is such that, "Oh, well, let's build this, that and the other thing."

I was worried, Michael, particularly in my first round of pre-budget consultations, about the burden on operating expenditures, the kind of repairs and maintenance to capital that can simply drive you crazy in terms of trying to find the money to do it.

**The Vice-Chair:** You have about four minutes; last round.

**Mr. Andersen:** I wanted to add one other thing just to clarify that \$400 million. There's no matching compon-



ent to that. That was funding that went to municipalities, with a particular emphasis on northern and rural, for them to put toward roads and bridges, and there wasn't a matching requirement.

**Mr. Prue:** Four minutes. What about labour market training? How much does that contribute to the gap?

**Hon. Mr. Sorbara:** John is going to give you specific figures on what we negotiated in that agreement. That was another area where I just think it was so unfortunate that it took so long for an agreement to be reached. We were determined that we were going to get an agreement. Labour market adjustment, labour market training, as you know, is critical to the type of economy that is Ontario. You and I know that we are seeing some challenges in the area of manufacturing. Certain components of our manufacturing system will grow smaller in terms of the workforce; others, like automotive, will grow. But this is very important.

I think John has details on the agreement and how that will impact on the gap in specifically.

**Mr. Whitehead:** Thank you, Minister. The labour market development agreement for 2006-07 was going to mean \$525 million—

**Mr. Prue:** It was going to be—

**Mr. Whitehead:** Some \$525 million a year to Ontario in the EI part 2 funding. That's beginning in 2006-07. As part of the labour market development agreement, we also have an administrative component, and that total is just under \$60 million. There is also going to be a commitment of \$25 million from the federal government to help with some information systems. That's a one-time amount.

I would note that the labour market partnership agreements stand in some contrast to that. Those are of course being re-evaluated at the federal level at this point. That's funding that is included in our list of questions, I think, following out of the 2006 federal budget.

**Mr. Prue:** How much does the amount that we're getting contribute to the gap? Does it cover the costs? Are other provinces getting more?

**Mr. Whitehead:** No. I think this represents a similar deal to the ones that the other provinces have. That's the information that we—

**Mr. Prue:** So there is no gap about labour market training. This is not contributing in any way to the \$23 billion.

**Hon. Mr. Sorbara:** Well, let's be clear on the gap. I worry that we're not clear when you say, "How does this compare to other provinces?" The gap is a Canada-Ontario relationship, how much money the federal government takes out of Ontario and how much it reinvests. The fact that Quebec has a different immigration agreement or that unemployment insurance payments are higher in other provinces per unemployed worker is an illustration of the differential relationships between Ontario and other provinces in respect to the federal program. But that's not the gap.

If, for example, the federal government in all of its revenue-raising simply stopped spending in provinces,

then there would be a fiscal gap between Canada or the federal government and every province—if they just kept all their taxing mechanisms and stopped spending. So notionally, the gap would be whatever it is. But you get into a slightly different territory when you are comparing what Ontario has with what British Columbia has, say, in a labour market agreement.

The overlay that you have to put on that is equalization, which is not really a gap story, but the commitment and the constitutional responsibility for the national government to equalize the funding of public services as between the provinces and Canada. So, Deputy, what is the common phrase, the base phrase—

**The Vice-Chair:** If you could wrap up quickly, Deputy, the Liberals want to ask some questions here.

**Hon. Mr. Sorbara:** Reasonably comparable services at reasonably comparable levels of taxation: Those are the two foundations of equalization. The structure on top of it is complex and Byzantine; it's got all sorts of various programs. But it is the equalization system that tries to ensure that, notwithstanding how strong your economy is, you are able to deliver a reasonably similar level of grade 10 education in Port Alberni, British Columbia, and Port Dover.

**The Vice-Chair:** Thank you very much for this round, Mr. Prue. We'll now go over to Mr. Delaney, who has some questions from the government side.

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**Mr. Delaney:** I have two, but I realize my colleagues have some questions, so I'll ask one. Maybe I'll have a chance to get the second one in shortly.

As Minister of Finance for Canada's largest province, when you prepare the budget, you sit blocks away from the majority of Canada's leading academics, economic thinkers, analysts, bank economists, private sector and public sector forecasters, brokerage houses, market watchers, thinkers and pundits of all types. One factor that manufacturers in Mississauga are coping with, of course, is the rapid decline of the US dollar versus the world's other major currencies and especially our very own Canadian dollar. I know that you consult very widely, and I know personally that you have a tendency to listen non-judgmentally to everybody who respects the value of your time and presents you with a thoughtful and coherent analysis. So here's my question: Since you became finance minister in October 2003, how many of Canada's leading experts and theorists and eggheads have correctly predicted the value of the Canadian dollar against its US counterpart?

**Hon. Mr. Sorbara:** Oh, my goodness. I think the easy answer to that is zero, because no one has been right. Let me just invite Pat Deutscher to—

**Mr. Delaney:** Expand, if you will, on the art as opposed to the science of drawing up the budget for Ontario and some of the challenges it entails.

**Hon. Mr. Sorbara:** I'm going to ask Pat, who is the acting chief economist for us in the office of economic policy, to comment on the marvellous science and art of forecasting what the economy is going to look like.



My role is fascinating, because I'm a politician and I come to this as kind of a layman. We have all this expertise, but we have to remember that this is an art and not a science. Although there is a lot of scientific methodology applied, we're trying to imagine, now that we put out forecasts for three years, what the world is going to be like three years from now. Because of the integration of our economy and the world's economy, we have to take into consideration an increasingly large number of factors and issues, integrate and imagine them all together, and then try to determine what impact they're going to have on a relatively small economy of 12.5 million very hard-working people.

You mentioned the dollar. It's interesting that in this morning's paper the head of Bombardier was really kind of blasting the governor of the Bank of Canada because, in Mr. Beaudoin's view, the governor of the Bank of Canada was not taking into consideration the high value of the Canadian dollar and its impact on the manufacturers of Canada, in particular the manufacturers of the heartland of Canada: Ontario and Quebec.

Mr. Delaney, you put it in exactly the right terms: We're talking about the deteriorating value of the American dollar and the impact that has on the value of the Canadian dollar. But whether you say it's the rising value of the Canadian dollar or the way in which you put it, it has a very significant impact on the Ontario economy, in particular the manufacturing component of the Ontario economy.

The surprising thing for me as the layperson, the politician, is how resilient Ontario manufacturers have been during this period of the rising value of the Canadian dollar relative to some of the predictions of economists like Pat and others. I'm going to ask him to verify whether any economists, any of the experts, any of the wizards, were bang on in terms of their predictions for the value of the Canadian dollar vis-à-vis its US counterpart.

**Mr. Pat Deutscher:** Thank you, Minister, for your kind words on the forecasting trade. You're quite right: None of the forecasters we survey—and that really is the foundation for how we arrive at our assumptions for the budget—would have predicted that the Canadian dollar would sit where it is today, at over 90 cents. To be fair to my profession, economists would comment on the range of possibilities for where the dollar might be, and some of them would have talked about how, yes, the dollar could be above 95 cents. Many are now commenting that it could go to parity. People talk about the range of possible outcomes, knowing full well that they aren't going to be able to predict the future with any degree of accuracy. They have to come up with specific numbers and notions of what the range around that will be in order to plan for their businesses or, in the case of government, to make plans for how our overall economy is going to develop.

If you look at forecasts for the dollar right now, to further illustrate the uncertainty, there are forecasters who have the dollar rising over the next couple of years

and forecasters in equal number on the other side who say the dollar is now overvalued and will decline over the next few years. We have to deal with that kind of uncertainty as we develop plans.

**Mr. Delaney:** Did any of the forecasters come anywhere close to the value of the dollar over the past three years, for example, using as a yardstick the Japanese yen and the euro rather than the US dollar?

**Mr. Deutscher:** I don't think so. The Canadian dollar, over this relevant time frame, has really been one of the strongest currencies in the world. Its strength has really surprised folks. It's a combination of the declining value of the US currency and the factor of commodity prices. Canada is a net exporter of commodities, especially oil and natural gas and many others. The weight of that in our exports has been a big push on the value of the Canadian dollar. Another factor that may have, and that we worry about, is that Canada is doing a bit more than its share of helping the US economy to adjust. The minister referred to the enormous current account deficit in the US economy. The Chinese, for example, have maintained a fixed exchange rate, and they're a growing trade partner with the United States. They've only allowed a very tiny adjustment, to this point, in their exchange rate against any currency, especially the US dollar.

**Mr. Delaney:** In any manufacturing jurisdiction, especially one in which people manufacture tangible things, of course, they're shipping an awful lot of their commodity work over to Asia and especially China. There's a fair amount of concern that, should the Chinese yuan rise to its true level, that would provoke as big a disruption in manufacturing, if not bigger, than we've seen with the decline of the US dollar against the Canadian dollar. Any thoughts on that?

**Mr. Deutscher:** I would say that "true level" is always a bit subjective, and people would have different estimates of what that would be. I think the biggest factor would be the speed of adjustment. If this were to come over a short period of time as a major surprise and businesses had plans in the works that they were trying to fulfill, it would indeed be quite a very serious disruption. But if it happens in a gradual way, perhaps over a couple of years, and if what you're seeing with something like that is an increase in the standard of living of the people of China—because that's ultimately what a rise in the value of their exchange rate would amount to, as long as their economy adjusts smoothly—it would reflect a major growth in the size of the Chinese market that would be an opportunity for businesses on the other side.

**Mr. Delaney:** Thanks. I think my colleagues have some questions.

**Mr. Wilkinson:** Welcome, Minister. It's nice to see you there again. Two questions, one on prudence. As someone who was on our standing committee on finance and economic affairs for the last couple of years and who is now on this committee, it seems to me that you have been criticized for actually being prudent. That strikes me as odd. It is better for someone who has your chair to be

prudent than the alternative. It strikes me that the alternative is the situation we inherited. In other words, there are opportunities for the economy, but you've always got to see the storm clouds and we have to take those into consideration. Despite the fact that the economists may not always get it right, at least by being able to see that, we can see those challenges.

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The dollar has risen. The Ontario economy has responded remarkably within increased productivity, which is what you get in a rising standard of living. It drives productivity because you're not going to win on price. You've got to be more productive. I think our stronger currency's allowed some of our companies to make investments in the mineral sector, which is booming in this province. The fact that the dollar's up is irrespective of the price that the actual commodity is up, but in places like forestry and agriculture and some manufacturing we're struggling, but in auto, which is a high value commodity, we're doing extremely well and holding our own.

I guess the question that I have for you is: Despite the political pressure to take, for example, last year's extraordinary money and use it for one-time expenses, you didn't turn around and make that part of your structural spending. It strikes me as being prudent. Could you just share with us why you think that prudence is better than politics?

**Hon. Mr. Sorbara:** I think probably everyone who has sat in my position from every political party—let me put it this way: The nature of the job requires prudence for sure, but it's kind of like a continuum. This is a crazy business. We complete a fiscal year and someone stands up, whether in the Legislature or in some other forum, and says, "You said the economy was going to grow by 2.6%, it grew by 2.8% and you've got an extra billion dollars. Why don't you resign right now?"

**Mr. Wilkinson:** Hard to believe.

**Hon. Mr. Sorbara:** "I'm going to take that under advisement. Thank you very much." It's just like if you're running a business: You always want to be able to outperform.

Your question is about prudence in budget-making. The first thing to say is that in Ontario we have built in mechanisms for prudence. Firstly, and most importantly, every year we set aside a significant fund as a reserve. Now that reserve is a very prudent measure because it's there in case things happen that you just didn't imagine. SARS was an example of something that happened that no one imagined, and the government of the day dipped into its reserve fund. That's good.

Also, in the budgeting of each ministry, there is some prudence built in and there's a contingency fund to ensure that you can deal with events that occur in the to and fro of managing government. The very structure of budget-making has some prudent elements.

The most difficult calls are the ones where—let me put it this way: A 0.1% change in economic growth: I'm going to just give Pat a heads up and say, what does that represent in terms of additional revenue or loss of

revenue, if it's 0.1% less economic growth? The number is fairly big and there's nothing wrong with, at the end of the year, having outperforming expectations. Our economic forecasts are generally somewhat lower than the private sector consensus.

You can go overboard in this business of prudence, and our Ian MacDonald visiting economist Tim O'Neill did a study recently for the federal government because there were allegations that there was just far too much darned prudence built into federal budgeting, so that at the end of the year there were always very large surpluses, far bigger than had been expected when the budget was presented. He wrote a pretty good report on prudence generally and the analysis there.

I'll give you another example of where I thought prudence had just gone a little bit too far. A year ago in May, shortly after we presented our budget, the Alberta government presented its budget. A year ago May, oil was at about \$55 a barrel. A year ago May, when the Alberta government presented its budget—your know, it was the budget where, "There's no more debt; there's no more deficit. We're rolling in dough; things are pretty good."

They, like us, had adopted the policy of forecasting out what their revenues would be for two years beyond the budget year. In their forecasts, the basis for projecting their revenues was oil at \$35 and then \$37 a barrel. Well, I think there was some degree of prudence there that went beyond the pale. Most economists say that we are going to see a reduction in the cost of a barrel of oil over the long term, and even in our figures—Pat will have the exact figure—what we're forecasting oil to be a year down the road.

But you raise a very good point about how much prudence. Too much prudence can just be you're living in a different world and you're hiding stuff. Too little prudence and a few events that you didn't forecast, at the end of the year you have a kind of Mulroney situation. During the Mulroney era, every year Michael Wilson predicted that they were going to have a very healthy surplus and every year they were billions off in their target—to the negative. I'm like the Three Little Bears. I like to have it not too lean, not too rich, just right.

**The Vice-Chair:** You have about five minutes left in this rotation, guys. Five, six minutes. Thank you.

**Mr. Pat Deutscher:** A point about gross domestic product: If economic growth is a percentage point slower than we have assumed, that on average would reduce our revenues by about \$650 million, just a little bit to the north of that, but I think an important point is that that's a very rough average. It depends a great deal on the composition of economic growth and on where the income is being generated in the economy.

One of the difficulties with revenue forecasting is the volatility of some of the important components, especially corporations tax. Corporations tax accounts for, right now, over 10% of our revenues, and one of the reasons that revenue growth has been strong in Ontario and exceeded our forecasts has been the strength of corporate profits and concomitantly the revenues that we



get. The difficulty, and a reason that we have to be prudent, is that without any changes in policy, profits, even in a growing economy, it can simply move in the other direction. You can see swings from one year to the next in the neighbourhood of \$2 billion just in changes from one year. So if you're hit with an adverse development and don't make some provision for that possibility, you can end up in real difficulties.

**Mr. Wilkinson:** I find it somewhat ironic because when I got into politics as someone with really a business background, we had people running around saying that tax cuts pay for themselves and that nothing ever went wrong. It always struck me as just a fool's dream and that eventually all of this was going to come to a crashing halt. But also what I found interesting is that the antidote that you've brought forward was widely predicted by some that somehow this was going to bring on some terrible recession and that business would flee this province. Really, you're saying that our corporate profits have been very strong in this province, despite the challenges of things that we can't control.

**Hon. Mr. Sorbara:** Yes, and stronger than forecast.

**Mr. Wilkinson:** And stronger than forecast, even on the street, which is quite amazing, because that was not the prediction made by some around here when we took office.

I come from the riding of Perth—Middlesex, a very rural riding. There was much in the press that somehow the last budget was very, very focused on the GTA. I know that in my own riding, when I made announcements coming out of the budget, people were very happy, particularly my municipalities. Just a quick question: Do you feel that the budget we presented was too focused on the GTA and didn't have a lot to say to the rest of the province, particularly in rural Ontario?

**Hon. Mr. Sorbara:** No, I think Dwight achieved a really great balance in that budget, particularly because the investments that are sort of GTA-specific are by way of a one-time establishment of a trust—we're going to use this money to build some new infrastructure there. But I think the positive impact, particularly in the area of infrastructure, is going to be felt right around the province.

In that regard, in making a budget, mostly you're saying no, no matter how strong the economy is. The requests come in—every ministry has areas of opportunity to strengthen public services; the requests come from organizations outside—and you're paring down requests and trying to shape the possible: "What can we realistically accomplish in this year?"

From the day we got elected, the major thrust of the political thinking has been, "We are here to improve the quality of public services and strengthen the Ontario economy and invest in people." With each budget, you have to ask yourself, "Are we achieving that objective?" So in one budget year, the concentration was on education and health care and starting the reforms there; a year ago, a specific commitment in post-secondary education, because frankly every economist—I think Pat will agree with this—says that with the kind of economy

Ontario has, it's brain power and skills that really determine how well you're going to do. In this budget, the concentration was on infrastructure, all the while supporting the other things that are going on.

I'm just back, but I sort of followed the press after Dwight presented the budget. Certainly there are groups or organizations that are disappointed because their specific project did not get funding in that budget. I understand that. It's like when you're a parent in a big family. All the kids go, "Daddy, I want," "Mommy, can I have?" Yeah, sure, but based on what we can afford.

I thought he did a great job.

**The Vice-Chair:** Do you have a quick one?

**Mr. Wilkinson:** I had a chance at the opening night at the Stratford Festival to bump into Mike Lazaridis, whom we know from RIM. We were talking about this focus on research and innovation and the fact that the Premier was at that ministry.

It seems to me that the question of productivity being created by setting up a province where innovative creativity can be harnessed right here in Ontario—you would see those as investments as opposed to expenses?

**Hon. Mr. Sorbara:** Yes, without a doubt. I think my job is very simple. I think I have to enhance on a regular basis the economic reputation of Ontario. That's not just spinning; that's doing stuff that gives us a stronger economic reputation around the world. It is noted if Ontario is seen to be strengthening its health care system and its education system and its postsecondary system. It is noted around the world if Ontario becomes a larger participant in the world of research and innovation—

**Mr. Wilkinson:** And automotive.

**Hon. Mr. Sorbara:** —and automotive. RIM, Research In Motion—BlackBerry—is known around the world. It's known that this is a technology born and raised and cultivated in and disseminated from Ontario. David has one of those in front of him now, and I'm an adherent. Every single message that BlackBerry sends to some other place travels to Kitchener on the way to its destination.

**Mr. Zimmer:** Kitchener-Waterloo.

**Hon. Mr. Sorbara:** I'm sorry: Kitchener-Waterloo.

**Mr. Zimmer:** I was born in Waterloo. I'm just giving it a plug.

**Hon. Mr. Sorbara:** Okay. Isn't that fascinating, and the fact that RIM is so determined to be a Canadian corporation with literally global reach is something that enhances our economic reputation and strengthens our ability to do business with the entire world and expand the quality of our economy in a way that nothing else could.

**The Vice-Chair:** Minister, thank you very much for your comments, and I thank the government for their round. We will adjourn the meeting and reconvene next Tuesday afternoon after routine proceedings in the Legislature.

**Hon. Mr. Sorbara:** I can't wait.

**The Vice-Chair:** I thank ministry staff for their co-operation as well.

*The committee adjourned at 1754.*











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